

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

**SCHEDULE TO
TENDER OFFER STATEMENT UNDER SECTION 14(D)(1) OR 13(E)(1) OF THE SECURITIES
EXCHANGE ACT OF 1934**

(Amendment No.)^{*}

AMN Healthcare Services, Inc.

(Name of Subject Company (Issuer))

AMN Healthcare Services, Inc.

(Name of Filing Person (Offeror))

**OPTIONS TO PURCHASE COMMON STOCK, par value \$0.01 per share
STOCK APPRECIATION RIGHTS**

(Title of Class of Securities)

001744101

(CUSIP Number of Class of Securities (Underlying Common Stock))

Denise L. Jackson, Esq.

Senior Vice President, General Counsel and Secretary

AMN Healthcare Services, Inc.

12400 High Bluff Drive, Suite 100

San Diego, California 92130

(866) 871-8519

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications on Behalf of Filing Person)

Copy to:

John C. Kennedy, Esq.

Paul, Weiss, Rifkind, Wharton & Garrison LLP

1285 Avenue of the Americas

New York, New York 10019-6064

(212) 373-3000

CALCULATION OF FILING FEE

Transaction Valuation*

\$1,800,818.21

Amount of Filing Fee**

\$100.49

* Calculated solely for purposes of determining the filing fee. This amount assumes that options to purchase 606,400 shares of common stock of AMN Healthcare Services, Inc. and 599,388 stock appreciation rights having an aggregate pre-exchange fair value of \$1,800,818.21 assuming a stock price of \$9 will be exchanged and cancelled pursuant to this offer. The aggregate value of such options and stock appreciation rights was calculated based on the lattice valuation model.

** The amount of the filing fee, calculated in accordance with Rule 0-11(b) of the Securities Exchange Act of 1934, as amended, equals \$55.80 per \$1,000,000 of the aggregate amount of the transaction value.

Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: N/A

Filing Party: N/A

Form or Registration No.: N/A

Date Filed: N/A

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

Third-party tender offer subject to Rule 14d-1.

Issuer tender offer subject to Rule 13e-4.

Going-private transaction subject to Rule 13e-3.

Amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

ITEM 1. SUMMARY TERM SHEET.

The information set forth under “Summary Term Sheet” in the Offer to Exchange Certain Outstanding Options and Stock Appreciation Rights for Replacement Restricted Stock Units, dated November 6, 2009 (the “Offer to Exchange”), attached hereto as Exhibit (a)(1)(A), is incorporated herein by reference.

ITEM 2. SUBJECT COMPANY INFORMATION.

- (a) **Name and Address.** The name of the issuer is AMN Healthcare Services, Inc., a Delaware corporation (the “Company”). The address of its principal executive office is 12400 High Bluff Drive, Suite 100, San Diego, California 92130 and the telephone number of its principal executive office is (866) 871-8519.
- (b) **Securities.** This Tender Offer Statement on Schedule TO relates to an equity exchange program (the “Equity Exchange”) pursuant to which the Company is offering its employees, excluding its executive officers and directors (the “Eligible Employees”), the opportunity to exchange (i) certain stock options granted under the AMN Healthcare Services, Inc. Stock Option Plan (the “Option Plan”) with exercise prices greater than or equal to \$14.50 per share and that were granted under the Option Plan before September 30, 2005 (the “Eligible Options”), and (ii) certain stock appreciation rights granted under the AMN Healthcare Equity Plan, as amended and restated (the “Equity Plan”), with exercise prices greater than or equal to \$14.50 per share and that were granted under the Equity Plan before September 30, 2008 (together with the Eligible Options, the “Eligible Awards”), in each case for a reduced number of restricted stock units (the “Replacement RSUs”) to be granted under the Equity Plan.

As of October 26, 2009, options to purchase approximately 606,400 shares of the Company’s common stock, par value \$0.01 per share (the “Common Stock”), and 599,388 stock appreciation rights were eligible for exchange in the Equity Exchange (as set forth in the Offer to Exchange). Assuming that 100% of the Eligible Employees participate in the offer, and surrender all of their Eligible Awards for exchange, Eligible Awards covering approximately 1,205,788 shares of the Common Stock as of October 26, 2009 would be surrendered and cancelled, while approximately 178,366 Replacement RSUs would be issued (subject to decrease due to rounding of fractional shares).

The Equity Exchange is subject to the terms and conditions described in the Offer to Exchange. The information set forth in the Offer to Exchange under “Summary Term Sheet” and under Section 2 (“Number of Eligible Awards; Expiration Date”) is incorporated herein by reference.

- (c) **Trading Market and Price.** The information set forth in the Offer to Exchange under Section 7 (“Price Range of Common Stock”) is incorporated herein by reference.

ITEM 3. IDENTITY AND BACKGROUND OF FILING PERSON.

- (a) **Name and Address.** The Company is both the filing person and the subject company. The information set forth under Item 2(a) above is incorporated herein by reference. The information set forth in Schedule A (“Information About Our Directors and Executive Officers”) in the Offer to Exchange is incorporated herein by reference.

ITEM 4. TERMS OF THE TRANSACTION.

- (a) **Material Terms.** The information set forth in the Offer to Exchange under Section 1 (“Purpose of the Offer”), Section 2 (“Number of Eligible Awards; Expiration Date”), Section 3 (“Procedures”), Section 4 (“Change in Election”), Section 5 (“Acceptance of Eligible Awards for Exchange and Cancellation; Issuance of Replacement RSUs”), Section 6 (“Conditions of the Offer”), Section 8 (“Exchange Ratio”), Section 9 (“Source and Amount of Consideration; Terms of Replacement RSUs”),

Section 11 (“Status of Eligible Awards Acquired by Us in the Equity Exchange”), Section 12 (“Legal Matters; Regulatory Approvals”), Section 13 (“Material U.S. Federal Income Tax Consequences”) and Section 14 (“Extension of the Offer; Termination; Amendment”) is incorporated herein by reference.

- (b) **Purchases.** The Company’s executive officers and directors will not be eligible to participate in the offer. The information set forth in the Offer to Exchange under Section 10 (“Interests of Directors and Officers; Transactions and Arrangements Involving the Eligible Awards”) is incorporated herein by reference.

ITEM 5. PAST CONTACTS, TRANSACTIONS, NEGOTIATIONS AND AGREEMENTS.

- (a) **Agreements Involving the Subject Company’s Securities.** The information set forth in the Offer to Exchange under Section 10 (“Interests of Directors and Officers; Transactions and Arrangements Involving the Eligible Awards”) is incorporated herein by reference. The Equity Plan filed as Exhibit d(1), the form of Replacement RSU Agreement under the Equity Plan filed as Exhibit d(3), the form of Stock Option Agreement under the Option Plan filed as Exhibit d(4), and the form of Stock Appreciation Right for employees under the Equity Plan filed as Exhibit d(6) are incorporated herein by reference.

ITEM 6. PURPOSES OF THE TRANSACTION AND PLANS OR PROPOSALS.

- (a) **Purposes.** The information set forth in the Offer to Exchange under Section 1 (“Purpose of the Offer”) is incorporated herein by reference.
- (b) **Use of Securities Acquired.** The information set forth in the Offer to Exchange under Section 5 (“Acceptance of Eligible Awards for Exchange and Cancellation; Issuance of Replacement RSUs”) and Section 11 (“Status of Eligible Awards Acquired by Us in the Equity Exchange; Accounting Treatment”) is incorporated herein by reference.
- (c) **Plans.** The information set forth in the Offer to Exchange under Section 1 (“Purpose of the Offer”) is incorporated herein by reference.

ITEM 7. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

- (a) **Source of Funds.** The information set forth in the Offer to Exchange under Section 9 (“Source and Amount of Consideration; Terms of Replacement RSUs”) is incorporated herein by reference.
- (b) **Conditions.** The information set forth in the Offer to Exchange under Section 6 (“Conditions of the Offer”) is incorporated herein by reference.
- (c) **Borrowed Funds.** Not applicable.

ITEM 8. INTEREST IN THE SECURITIES OF THE SUBJECT COMPANY.

- (a) **Securities Ownership.** The information set forth in the Offer to Exchange under Section 10 (“Interests of Directors and Officers; Transactions and Arrangements Involving the Eligible Awards”) is incorporated herein by reference.
- (b) **Securities Transactions.** The information set forth in the Offer to Exchange under Section 10 (“Interests of Directors and Officers; Transactions and Arrangements Involving the Eligible Awards”) is incorporated herein by reference.

ITEM 9. PERSONS/ASSETS, RETAINED, EMPLOYED, COMPENSATED OR USED.

- (a) **Solicitations or Recommendations.** The information set forth in the Offer to Exchange under Section 15 (“Fees and Expenses”) is incorporated herein by reference.

ITEM 10. FINANCIAL STATEMENTS.

- (a) **Financial Information.** The information set forth in Schedule B to the Offer to Exchange and under Section 16 (“Information Concerning AMN Healthcare Services, Inc.; Financial Statements”) and Section 17 (“Additional Information”) is incorporated herein by reference. The Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2008 and Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2009, June 30, 2009 and September 30, 2009 are available electronically on the SEC’s website at <http://www.sec.gov>.
- (b) **Pro Forma Financial Information.** Not applicable.

ITEM 11. ADDITIONAL INFORMATION.

- (a) **Agreements, Regulatory Requirements and Legal Proceedings.** The information set forth in the Offer to Exchange under Section 10 (“Interests of Directors and Officers; Transactions and Arrangements Involving the Eligible Awards”) and Section 12 (“Legal Matters; Regulatory Approvals”) is incorporated herein by reference.
- (b) **Other Material Information.** Not applicable.

ITEM 12. EXHIBITS.

<u>Exhibit Number</u>	<u>Description</u>
(a)(1)(A)	Offer to Exchange Certain Outstanding Options and Stock Appreciation Rights for Replacement Restricted Stock Units, dated November 6, 2009.
(a)(1)(B)	Form of Meeting Invite to Eligible Employees.
(a)(1)(C)	Form of Election Form.
(a)(1)(D)	Form of E-Mail Confirming Receipt of Election Form.
(a)(1)(E)	Form of Notice of Withdrawal Form.
(a)(1)(F)	Form of E-Mail Confirming Receipt of Notice of Withdrawal Form.
(a)(1)(G)	Form of Confirmation of Grant of Replacement RSUs.
(a)(1)(H)	Definitive Proxy Statement for Special Meeting of Stockholders (incorporated herein by reference to the Definitive Proxy Statement on Schedule 14A filed with the SEC on November 5, 2009).
(a)(2)	Not applicable.
(a)(3)	Not applicable.
(a)(4)	Not applicable.
(a)(5)	Not applicable.
(b)	Not applicable.
(d)(1)	AMN Healthcare Equity Plan, as amended and restated (incorporated by reference to the Company’s Definitive Proxy Statement on Schedule 14A, filed with the Securities and Exchange Commission on March 4, 2009).
(d)(2)	AMN Healthcare Services, Inc. 2001 Stock Option Plan (the “Option Plan”) (incorporated by reference to the Company’s Registration Statement on Form S-1 (File No. 333-65168)).
(d)(3)	Form of AMN Healthcare Equity Plan Replacement RSU Agreement.
(d)(4)	Form of Option Plan Stock Option Agreement.
(d)(5)	Form of AMN Healthcare Equity Plan Stock Appreciation Right Agreement—Director (incorporated by reference to the Company’s Current Report on Form 8-K dated April 13, 2006).

<u>Exhibit Number</u>	<u>Description</u>
(d)(6)	Form of AMN Healthcare Equity Plan Stock Appreciation Right Agreement (incorporated by reference to the Company's Current Report on Form 8-K dated April 13, 2006).
(d)(7)	Form of AMN Healthcare Equity Plan Restricted Stock Unit Agreement—Director (incorporated by reference to the Company's Current Report on Form 8-K dated April 13, 2006).
(d)(8)	Form of AMN Healthcare Equity Plan Restricted Stock Unit Agreement (incorporated by reference to the Company's Current Report on Form 8-K dated April 13, 2006).
(d)(9)	AMN Healthcare Services, Inc. Senior Management Bonus Plan (incorporated by reference to the Company's Definitive Proxy Statement on Schedule 14A, filed with the Securities and Exchange Commission on March 3, 2009).
(d)(10)	AMN Healthcare, Inc. Executive Nonqualified Excess Plan (incorporated by reference to the Company's Registration Statement on Form S-1 (File No. 333-86952)).
(d)(11)	Amendment to AMN Healthcare, Inc. Executive Nonqualified Excess Plan, dated as of January 1, 2002 (incorporated by reference to the Company's Registration Statement on Form S-1 (File No. 333-86952)).
(d)(12)	2001 Stock Option Plan Stock Option Agreement, dated as of January 17, 2002, between the Company and Susan Nowakowski (incorporated by reference to the Company's Registration Statement on Form S-1 (File No. 333-86952)).
(d)(13)	2001 Stock Option Plan Stock Option Agreement, dated as of January 17, 2002, between the Company and Andrew Stern (incorporated by reference to the Company's Registration Statement on Form S-1 (File No. 333-86952)).
(d)(14)	Stock Option Plan (incorporated herein by reference to the Definitive Proxy Statement on Schedule 14A, filed with the Commission on April 14, 2004 (File No. 1-16753)).
(d)(15)	Stock Option Plan Stock Option Agreement, dated as of May 18, 2004, between the Company and Andrew M. Stern (incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2004).
(d)(16)	Stock Option Plan Stock Option Agreement, dated as of May 18, 2004, between the Company and Susan R. Nowakowski (incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2004).
(d)(17)	Stock Option Plan Stock Option Agreement, dated as of May 18, 2004, between the Company and Denise L. Jackson (incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2004).
(d)(18)	Stock Option Plan Stock Option Agreement, dated as of September 20, 2004, between the Company and David C. Dreyer (incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2004).
(d)(19)	Stock Option Plan Stock Option Agreement, dated as of January 17, 2002, between the Company and Denise L. Jackson (incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2004).
(d)(20)	Stock Option Plan Stock Option Agreement, dated as of May 8, 2003, between the Company and Denise L. Jackson (incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2004).
(d)(21)	Employment Agreement, dated as of May 4, 2005, between AMN Healthcare, Inc. and Susan R. Nowakowski (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2005).

<u>Exhibit Number</u>	<u>Description</u>
(d)(22)	Stock Option Plan Stock Option Agreement, dated as of September 28, 2005, between the Company and Douglas D. Wheat (incorporated by reference the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2005).
(d)(23)	Form of Indemnification Agreement (incorporated by reference the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2005).
(d)(24)	AMN Healthcare Equity Plan (incorporated by reference to Exhibit 1 of AMN Healthcare Services, Inc.'s Definitive Proxy Statement on Schedule 14A, filed on March 14, 2007).
(d)(25)	AMN Healthcare Equity Plan, as Amended and Restated (incorporated by reference to Appendix 1 of AMN Healthcare Services, Inc.'s 2009 Definitive Proxy Statement on Schedule 14A, filed on March 4, 2009).
(d)(26)	Employment Offer Letter to Ralph Henderson, dated August 1, 2007 (incorporated by reference to the Company's Annual Report on Form 10-K for fiscal year ended December 31, 2007).
(d)(27)	Executive Severance Agreement between AMN Healthcare, Inc. and David C. Dreyer, dated February 6, 2008 (incorporated by reference to the Company's Current Report on Form 8-K dated February 12, 2008).
(d)(28)	Executive Severance Agreement between AMN Healthcare, Inc. and Denise J. Jackson, dated February 6, 2008 (incorporated by reference to the Company's Current Report on Form 8-K dated February 12, 2008).
(d)(29)	Executive Severance Agreement between AMN Healthcare, Inc. and Ralph Henderson, dated February 6, 2008 (incorporated by reference to the Company's Current Report on Form 8-K dated February 12, 2008).
(d)(30)	First Amendment to Employment Agreement, dated as of February 6, 2008, between AMN Healthcare, Inc. and Susan R. Nowakowski (incorporated by reference to the Company's Current Report on Form 8-K dated February 12, 2008).
(d)(31)	Senior Management Bonus Plan, as amended and restated, December 14, 2007 (incorporated by reference to the Definitive Proxy Statement on Schedule 14A, filed on March 4, 2008).
(d)(32)	The 2005 Amended and Restated Executive Nonqualified Excess Plan of AMN Healthcare, Inc., effective January 1, 2009 (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2008).
(d)(33)	Employment Offer Letter to Bary Bailey, dated July 12, 2009 (incorporated by reference to the exhibits filed with the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2009).
(d)(34)	Executive Severance Agreement between AMN Healthcare, Inc., and Bary Bailey, dated August 10, 2009 (incorporated by reference to the exhibits filed with the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2009).
(d)(35)	Executive Indemnification Agreement between AMN Healthcare, Inc., and Bary Bailey, dated August 10, 2009 (incorporated by reference to the exhibits filed with the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2009).
(g)	Not applicable.
(h)	Not applicable.

ITEM 13. INFORMATION REQUIRED BY SCHEDULE 13E-3.

Not applicable.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: November 6, 2009

AMN HEALTHCARE SERVICES, INC.

By: /s/ SUSAN R. NOWAKOWSKI
Name: Susan R. Nowakowski
Title: President and Chief Executive Officer

INDEX OF EXHIBITS

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(a)(1)(C)	Form of Election Form.
(a)(1)(D)	Form of E-Mail Confirming Receipt of Election Form.
(a)(1)(E)	Form of Notice of Withdrawal Form.
(a)(1)(F)	Form of E-Mail Confirming Receipt of Notice of Withdrawal Form.
(a)(1)(G)	Form of Confirmation of Grant of Replacement RSUs.
(a)(1)(H)	Definitive Proxy Statement for Special Meeting of Stockholders (incorporated herein by reference to the Definitive Proxy Statement on Schedule 14A filed with the SEC on November 5, 2009).
(a)(2)	Not applicable.
(a)(3)	Not applicable.
(a)(4)	Not applicable.
(a)(5)	Not applicable.
(b)	Not applicable.
(d)(1)	AMN Healthcare Equity Plan, as amended and restated (incorporated by reference to the Company's Definitive Proxy Statement on Schedule 14A, filed with the Securities and Exchange Commission on March 4, 2009).
(d)(2)	AMN Healthcare Services, Inc. 2001 Stock Option Plan (the "Option Plan") (incorporated by reference to the Company's Registration Statement on Form S-1 (File No. 333-65168)).
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(d)(12)	2001 Stock Option Plan Stock Option Agreement, dated as of January 17, 2002, between the Company and Susan Nowakowski (incorporated by reference to the Company's Registration Statement on Form S-1 (File No. 333-86952)).
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(g)	Not applicable.
(h)	Not applicable.

AMN HEALTHCARE SERVICES, INC.
OFFER TO EXCHANGE
CERTAIN OUTSTANDING OPTIONS AND STOCK APPRECIATION RIGHTS
FOR REPLACEMENT RESTRICTED STOCK UNITS
THE OFFER EXPIRES AT 5:00 P.M. PACIFIC STANDARD TIME,
ON DECEMBER 10, 2009, UNLESS WE EXTEND THE OFFER

AMN Healthcare Services, Inc. (the “Company,” “we,” “our,” or “us”) is offering our employees, excluding our executive officers and directors, the opportunity to exchange (i) certain stock options (“Options”) granted under the AMN Healthcare Services, Inc. Stock Option Plan (the “Option Plan”) with exercise prices greater than or equal to \$14.50 per share and that were granted under the Option Plan before September 30, 2005 (the “Eligible Options”), and (ii) certain stock appreciation rights (“SARs”) granted under the AMN Healthcare Equity Plan, as amended and restated (the “Equity Plan”), with exercise prices greater than or equal to \$14.50 per share and that were granted under the Equity Plan before September 30, 2008 (the “Eligible SARs” and, together with the Eligible Options, the “Eligible Awards”), in each case for a reduced number of restricted stock units (the “Replacement RSUs”) to be granted under the Equity Plan. We will price and grant the Replacement RSUs on the date this Offer to Exchange expires. In this Offer to Exchange, we refer to this offer as the “Offer” and we refer to the exchange of Eligible Awards for Replacement RSUs in accordance with the terms of the Offer as the “Equity Exchange.”

Our executive officers and members of our Board of Directors are not eligible to participate in the Equity Exchange. An individual will be eligible to participate in the Equity Exchange only if, during the entire period from and including November 6, 2009 (the “Commencement Date”) through the Expiration Date (as defined below), which we refer to as the “Eligibility Period,” he or she satisfies all of the following conditions:

- is employed by the Company or one of its subsidiaries on the date the Offer commences;
- continues to be an employee of the Company or one of its subsidiaries and has not been voluntarily or involuntarily terminated for any reason, including layoff, termination, voluntary resignation, death or disability, on or prior to the Expiration Date, even if he or she had elected to participate and had tendered his or her Eligible Awards for exchange; and
- holds at least one Eligible Award.

In this Offer to Exchange, we refer to the individuals who are eligible to participate in the Equity Exchange as “Eligible Employees.” If you are an Eligible Employee and wish to accept the Offer and exchange Eligible Awards for Replacement RSUs, you must complete an individualized equity exchange election form (the “Election Form”) agreeing to exchange one or more of your Eligible Awards for Replacement RSUs and specifying the information required by the Election Form, which may include the date of grant, exercise price and the number of shares of our common stock, par value \$0.01 per share (the “Common Stock”) underlying the non-forfeited, unexercised Eligible Options or Eligible SARs to be exchanged. This Offer is currently expected to expire at 5:00 p.m. Pacific Standard Time, on December 10, 2009, but we may extend the Offer to a later date under certain circumstances described in the Offer (as extended, the “Expiration Date”).

We will issue Replacement RSUs in exchange for Eligible Options and Eligible SARs surrendered pursuant to the Offer according to the exchange ratios set forth in Section 8. The exchange ratios are intended to result in the issuance of Replacement RSUs that are based on the fair value of the cancelled Eligible Awards they replace, determined using the lattice valuation model, though we may incur some incremental compensation expense due to the grouping of Eligible Awards and approximations used in this determination and the stock price at the time of the exchange.

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If you are an Eligible Employee, you may exchange one or more of your Eligible Awards for Replacement RSUs. However, you cannot exchange part of any particular grant of an Eligible Award and keep the balance; you must exchange all non-forfeited, unexercised Options or SARs in a particular grant of an Eligible Award that you tender in response to the Offer. By way of illustration, if you have an Eligible Award that was granted in 2007, and you would like to exchange that Eligible Award, you may do so only if you exchange the entire Eligible Award (all the remaining unexercised Options or SARs from that grant). You may not exchange just a portion of that particular Eligible Award. By way of further example, you may elect to exchange all of your Eligible Awards granted in April 2007, but elect not to exchange the Eligible Awards granted to you in April 2008. Your election to participate in the Equity Exchange is entirely voluntary and may be withdrawn at any time prior to the stated time on the Expiration Date; however, your election may not be withdrawn or changed after the stated time on the Expiration Date.

Each Replacement RSU issued in the Equity Exchange will represent an unfunded, unsecured right to receive one share of our Common Stock shortly after the Replacement RSU vests. None of the Replacement RSUs will be vested on the date of grant. Replacement RSUs will be subject to a new one year minimum vesting period. To the extent the vesting period of a portion of an Eligible Award exceeds one year, the Replacement RSU will maintain the original vesting term of the Option or SAR for a reciprocal portion of the Replacement RSU. By way of example, a Replacement RSU for an Eligible Award with a grant date of April 2008 that vests ratably over three years will vest 67% on the first anniversary of the Replacement RSU grant date (i.e. the one year minimum vesting period) and 33% on the third anniversary of the grant date of the Eligible Award (i.e. April 2011). Replacement RSUs will only vest if the holder remains an employee of the Company or its subsidiaries through the applicable vesting dates. Replacement RSUs that are not vested at termination of employment will be forfeited. As described above, the Replacement RSUs will be completely unvested on the date of grant, regardless of whether the surrendered Eligible Awards were partially or completely vested.

We will not issue any Replacement RSUs covering a fractional share in exchange for Eligible Awards. In calculating the number of Replacement RSUs issuable to you in the Equity Exchange, we will round down to the nearest whole number on a grant-by-grant basis.

We are making the Offer upon the terms, and subject to the conditions, described in this Offer to Exchange, which may be amended from time to time. Without limiting the preceding sentence, the Offer is subject to conditions that we describe in Section 6. This Offer is not conditioned upon a minimum number of Eligible Employees accepting the Offer or a minimum number of Eligible Awards being tendered for exchange.

In accordance with the listing rules of the New York Stock Exchange (“NYSE”), it is also a condition to the Offer that stockholder approval of the Equity Exchange be obtained. If stockholder approval is not obtained at our Special Meeting of Stockholders on December 9, 2009 (the “Special Meeting”), we will terminate this Offer.

All Eligible Awards that are accepted pursuant to the Offer will be cancelled on or promptly following the Expiration Date. An Eligible Award that is accepted for exchange will no longer be exercisable after the Expiration Date, unless the individual who tendered such Eligible Award for exchange ceases to be an Eligible Employee before the end of the Eligibility Period, in which event such employee will retain his or her outstanding equity awards in accordance with their current terms and conditions, and he or she may exercise them during a limited period of time following the termination of employment in accordance with their terms to the extent that they are vested.

Shares of our Common Stock are quoted on the NYSE under the symbol “AHS.” On October 30, 2009, the closing price of our Common Stock as quoted on the NYSE was \$8.32 per share. **We recommend that you obtain current market quotations for our Common Stock before deciding whether to participate in the Equity Exchange.**

As of October 26, 2009, Eligible Employees held Options to purchase approximately 734,052 shares of our Common Stock with exercise prices ranging from \$9.68 per share to \$22.98 per share, of which Options to

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purchase 606,400 shares constituted Eligible Options, and as of that same date, Eligible Employees held SARs representing 905,138 shares of our Common Stock with exercise prices ranging from \$4.79 per share to \$24.95 per share, of which SARs representing 599,388 shares constituted Eligible SARs. The shares of Common Stock underlying Eligible Awards represent approximately 73.56% of the total number of shares of our Common Stock outstanding granted to Eligible Employees as of October 26, 2009.

IMPORTANT

If you wish to participate in the Equity Exchange, you must complete an Election Form, which is included with this Offer to Exchange. Election Forms should be sent to the Company:

- By mail to AMN Healthcare Services, Attn: Legal Department, 12400 High Bluff Drive, Suite 100, San Diego, CA 92130; or
- By inter-office or hand mail to Legal Department; or
- By e-mail to equityadministrator@amnhealthcare.com.

To participate, your Election Form must be **received** by us no later than 5:00 p.m. Pacific Standard Time on December 10, 2009, unless this Offer is extended. If your Eligible Awards are properly tendered for exchange, and are not validly withdrawn and are accepted by us for exchange, you will receive a final confirmation notice following the Expiration Date. The final confirmation notice will confirm that your Eligible Awards have been accepted for exchange and cancelled and will set forth the number of Replacement RSUs to which you are entitled and the exercise price.

Neither the Securities and Exchange Commission (the “SEC”) nor any state or foreign securities commission has approved or disapproved of this transaction or passed upon the fairness or merits of this transaction or the accuracy or adequacy of the information contained in this Offer to Exchange. Any representation to the contrary is a criminal offense.

The Company has not authorized any person to make any recommendation on our behalf as to whether you should exchange or refrain from exchanging your Eligible Awards pursuant to this Offer. You should rely only on the information contained in this Offer to Exchange or other information to which we have referred you. The Company has not authorized anyone to give you any information or to make any representation in connection with this Offer other than the information and representations contained in this Offer to Exchange and the related Election Form. If anyone makes any recommendation or representation to you or gives you any information other than the information and representations contained in this Offer to Exchange and the related Election Form, you must not rely upon that recommendation, information or representation as having been authorized by the Company.

Although our Board of Directors has approved this Offer, neither we nor our Board of Directors makes any recommendation as to whether you should elect to exchange or refrain from electing to exchange your Eligible Awards. Participation in the Equity Exchange carries risks, and there is no guarantee that you will not ultimately receive greater value from your existing Eligible Awards than from the Replacement RSUs that you will receive if you participate in the Equity Exchange. As a result, you must make your own personal decision whether to elect to exchange your Eligible Awards. We urge you to consult your own legal, financial and tax advisors before deciding whether to participate in the Equity Exchange.

Nothing in this Offer to Exchange shall be construed to give any person the right to remain an employee of the Company or any of its subsidiaries or to affect our right to terminate the employment of any person at any time with or without cause to the extent permitted by law. Nothing in this Offer to Exchange should be considered a contract or guarantee of employment, wages or compensation. The employment relationship between the Company and each employee remains “at will.”

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The Company reserves the right to amend or terminate the Equity Plan at any time, and the grant of a restricted stock unit (“RSU”) under the Equity Plan or Replacement RSUs in this Offer does not in any way obligate the Company to grant additional RSUs or offer further opportunities to participate in any offer to exchange at any future time. The grant of any RSUs under the Equity Plan or in relation to this Offer is wholly discretionary in nature and is not to be considered part of any normal or expected compensation that is or would be subject to severance, resignation, termination or similar pay, other than to the extent required by applicable law.

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SUMMARY TERM SHEET

The following is a summary of the material terms of the Offer. We urge you to read carefully the remainder of this Offer to Exchange, the related Election Form and the accompanying Schedule TO because the information in this summary is not complete and additional important information is contained in these documents. We have included cross references to the relevant sections of this Offer to Exchange where you can find a more complete description of the topics discussed in this summary.

- **Offer.** We are offering Eligible Employees the opportunity to exchange Eligible Awards for a reduced number of unvested Replacement RSUs at the exchange ratios set forth in Section 8. Eligible Awards consist of (i) Options granted under the Option Plan with exercise prices greater than or equal to \$14.50 per share and that were granted under the Option Plan before September 30, 2005, and (ii) SARs granted under the Equity Plan with exercise prices greater than or equal to \$14.50 per share and that were granted under the Equity Plan before September 30, 2008. (See Section 2)
- **Eligible Employees.** The Offer will be open to all persons that are employed by us or our subsidiaries as of the Commencement Date and through the Expiration Date, excluding our executive officers and members of our Board of Directors. Although we intend to offer the Equity Exchange to all or substantially all Eligible Employees, we may exclude Eligible Employees in certain non-U.S. jurisdictions from the Equity Exchange if local law or other considerations would have tax, regulatory or other implications that are inconsistent with the Company's compensation policies and practices.
- **Voluntary Participation; Exchange.** Your participation in the Offer is voluntary. You may exchange one or more of your Eligible Awards for Replacement RSUs. However, you cannot exchange part of any particular grant of an Eligible Award and keep the balance; you must exchange all non-forfeited, unexercised Options or SARs in a particular grant of an Eligible Award that you tender in response to the Offer.
- **Exchange Ratio.** We will issue Replacement RSUs in exchange for Eligible Options and Eligible SARs surrendered pursuant to the Offer according to the exchange ratios set forth in Section 8. We will not issue any Replacement RSUs covering a fractional share in the Equity Exchange. In calculating the number of Replacement RSUs issuable to you in the Equity Exchange, we will round down to the nearest whole number on a grant-by-grant basis.
- **Vesting of Replacement RSUs.** None of the Replacement RSUs will be vested on the date of grant. Replacement RSUs will be subject to a new one year minimum vesting period. To the extent the vesting period of a portion of an Eligible Award exceeds one year, the Replacement RSU will maintain the original vesting term of the Option or SAR for a reciprocal portion of the Replacement RSU (See "Q21: How will my Replacement RSUs vest?" under Equity Exchange Questions and Answers below). Replacement RSUs will only vest if the holder remains an employee of the Company or its subsidiaries through the applicable vesting dates. Replacement RSUs that are not vested at termination of employment will be forfeited. As described above, the Replacement RSUs will be completely unvested on the date of grant, regardless of whether the surrendered Eligible Awards were partially or completely vested.
- **Other Terms and Conditions of Replacement RSUs.** Replacement RSUs represent an unfunded, unsecured right to receive a share of our Common Stock in the future. One share of our Common Stock will be delivered in respect of each Replacement RSU shortly after vesting. Replacement RSUs have no exercise or purchase price and do not require Eligible Employees to pay any monetary consideration to receive shares of our Common Stock upon settlement (but see Section 13 below). Other terms and conditions of the Replacement RSUs to be issued in the Offer will be substantially the same as those that apply generally to RSUs granted under our form of Restricted Stock Unit Agreement.

- **Accounting Treatment.** Under the authoritative accounting guidance for share-based payments, the exchange of Eligible Awards under the Equity Exchange is treated as a modification of the existing equity awards for accounting purposes. Accordingly, we will recognize the unamortized compensation cost of the surrendered Eligible Awards, as well as the incremental compensation cost of the Replacement RSUs granted in the Equity Exchange, ratably over the vesting or service period of the Replacement RSUs. The incremental compensation cost will be measured as the excess, if any, of the fair value of each Replacement RSU granted to Eligible Employees in exchange for surrendered Eligible Awards, measured as of the date the Replacement RSUs are granted, over the fair value of the surrendered Eligible Awards in exchange for the Replacement RSUs, measured immediately prior to the cancellation. Since the exchange ratios will be based on the fair value of Eligible Awards surrendered being approximately equal to the fair value of the Replacement RSUs, in accordance with authoritative accounting guidance for share-based payments, the Company does not anticipate it will recognize any significant incremental compensation expense for financial reporting purposes as a result of the Equity Exchange; we may incur some incremental compensation expense as a result of approximations used in this determination due to the grouping of Eligible Awards with similar exercise prices together and the stock price at the time of the exchange. As would be the case with Eligible Awards, in the event that any of the Replacement RSUs are forfeited prior to their vesting due to termination of service, the compensation cost for the forfeited Replacement RSUs will not be recognized.
- **Tax Consequences.** Neither the grant of Replacement RSUs in exchange for Eligible Awards nor the vesting of Replacement RSUs should constitute a taxable event for Eligible Employees (or result in a deduction for us); however, Eligible Employees generally will recognize taxable compensation income equal to the fair market value of the shares delivered in respect of vested Replacement RSUs at the time of delivery of those shares. Income recognized by Eligible Employees upon share delivery will be considered wages and will be subject to ordinary income tax and employment tax (including social security contribution) withholding at the time of share delivery. In addition, we will be entitled to a corresponding deduction equal to the fair market value of such shares at the time of share delivery, but the deduction may be limited by Section 280G and/or 162(m) of the Internal Revenue Code (the "Code") in the case of compensation payable to certain Eligible Employees designated in those Sections. An Eligible Employee's disposition of shares obtained in respect of vested Replacement RSUs should be treated as a long- or short-term capital gain or capital loss to the Eligible Employee (and should not entitle us to a tax deduction), depending on the ultimate sale price of the shares and the duration for which they are held. (See Section 13)
- **Timing.** The Commencement Date of the Offer is November 6, 2009. The Expiration Date of the Offer is currently scheduled to occur on December 10, 2009, but we may extend the Offer to a later date under certain circumstances described in the Offer.
- **Eligibility.** You must be employed by us on the Commencement Date and through the Expiration Date to participate in the Offer. If your employment with us or our subsidiaries terminates for any reason between the Commencement Date and the Expiration Date, including layoff, termination, voluntary resignation, death or disability, you will be deemed to have withdrawn your tender of any Eligible Awards. In such case, you will retain your outstanding equity awards in accordance with their current terms and conditions and may exercise them during a limited period of time following your termination of employment in accordance with their terms to the extent that they are vested.
- **Election.** To make your election to accept the Offer, you must properly complete and deliver an Election Form before 5:00 p.m. Pacific Standard Time on the Expiration Date in accordance with the procedures described in this Offer to Exchange. You may change or withdraw your election at any time prior to 5:00 p.m. Pacific Standard Time on the Expiration Date by following procedures described in this Offer to Exchange. You may not withdraw or change your election after 5:00 p.m. Pacific Standard Time on the Expiration Date. (See Sections 3 and 4)

- **Conditions to the Offer.** This Offer is subject to a number of conditions, including approval of our stockholders. If any of the conditions to which the Offer is subject occurs, we may terminate or amend the Offer, or we may postpone or forego our acceptance of any Eligible Awards for exchange. (See Section 6)
- **Trading Price for Our Common Stock.** Shares of our Common Stock are quoted on the NYSE under the symbol “AHS.” We recommend that you obtain current market quotations for our Common Stock before deciding whether to participate in the Equity Exchange. (See Section 7)
- **Amendment and Termination.** Subject to our compliance with applicable laws, we may amend or terminate the Offer. We will notify you if we amend or terminate the Offer. We may be required to extend the Offer under certain circumstances, including in the event we materially change the terms of the Offer. (See Section 14)

**EQUITY EXCHANGE
QUESTIONS AND ANSWERS**

These Questions and Answers are to be read in conjunction with the Offer to Exchange of which they are a part. Capitalized terms that are used but not defined in these Questions and Answers have the meanings provided in the Offer to Exchange.

Q1 What is the Equity Exchange?

A1 The Equity Exchange (also referred to in these materials as the Offer) is a voluntary program permitting Eligible Employees, described further under “Q4: Who are Eligible Employees?”, to surrender Eligible Awards for a reduced number of Replacement RSUs to be granted under the Equity Plan. The Replacement RSUs are expected to be granted on or promptly following the Expiration Date (which is currently anticipated to expire on December 10, 2009, but may be extended).

Your participation in the Offer is voluntary; you may either keep your current Eligible Awards at their current exercise price or surrender those Eligible Awards in exchange for a reduced number of Replacement RSUs.

Q2 Why is the Equity Exchange being offered?

A2 Like most professional staffing firms, our stock price has experienced significant decline. This decline is a result of a large number of global economic factors, including the highest levels of unemployment in the past 25 years. The reduction in demand that we have experienced for our services as a result of the general economic decline and high unemployment is not unique to the Company and has been felt across the industry based on the reports from our public competitors. For our clients, the economic conditions have severely constricted budgets and access to operating capital, lowered permanent staff attrition rates and increased uncertainty regarding future patient admission levels and the collectability of receivables. These factors have, in turn, reduced demand for our services as healthcare organizations have placed an increased reliance on permanent labor to meet staffing needs both generally and on an incremental basis by reducing hours, shifts and/or assignments available and increased their efforts to conduct their own internal recruitment efforts.

These broad market and industry factors have contributed to and may continue to contribute to the decline of the market price of our Common Stock. Consequently, many of our employees hold equity awards with exercise prices significantly higher than the current fair market value of our Common Stock. As of October 26, 2009, Eligible Employees held Options to purchase approximately 734,052 shares of our Common Stock with exercise prices ranging from \$9.68 per share to \$22.98 per share, of which Options to purchase 606,400 shares constituted Eligible Options, and as of that same date, Eligible Employees held SARs representing 905,138 shares of our Common Stock with exercise prices ranging from \$4.79 per share to \$24.95 per share, of which SARs representing 599,388 shares constituted Eligible SARs. On October 30, 2009, the closing price of our Common Stock on the NYSE was \$8.32 and therefore, as of such date, all of the Eligible Awards were “out of the money” by at least 43%. We believe that these “out of the money” equity awards are no longer effective as performance and retention incentives. In addition, many of these equity awards have been “out of the money” for an extended period of time, as a result of which we have developed a significant equity award “overhang” comprised of equity awards that do not provide employees with performance incentives. To enhance long-term stockholder value, we need to maintain competitive employee compensation and incentive programs. A meaningful equity stake in our success is a critical component of these programs as we compete for talent within the San Diego and Dallas metropolitan markets that offer a highly skilled workforce and serve as the corporate headquarters for a diversified industrial base that have been impacted to different degrees by the economic downturn. We believe the Equity Exchange will provide us with an opportunity to restore for Eligible Employees the ability to participate economically in our future growth and success.

Q3 What are Eligible Awards?

A3 The equity awards eligible to be exchanged in the Equity Exchange consist of (i) Options granted under the Option Plan with exercise prices greater than or equal to \$14.50 per share and that were granted before September 30, 2005, and (ii) SARs granted under the Equity Plan with exercise prices greater than or equal to \$14.50 per share and that were granted before September 30, 2008, to the extent that such Options or SARs have not been exercised or forfeited on or prior to the Expiration Date of the Offer, which is currently expected to be December 10, 2009, or a later date if we extend the Offer. Any Option or SAR that was granted after September 30, 2005 or September 30, 2008, respectively, that has an exercise price less than \$14.50 per share or that is held by one of our executive officers or a member of our Board of Directors is not an Eligible Award, and any election to exchange such an equity award will not be accepted by us. In addition, it is a condition to this Offer that the closing trading price of our Common Stock on the NYSE does not exceed \$14.50. We will not be required to accept any Eligible Awards that you elect to tender in this Offer and may terminate or amend the Offer if this condition is not satisfied (See Section 6).

Q4 Who are Eligible Employees?

A4 The Offer is open to employees of the Company who hold Eligible Awards, excluding our executive officers and members of our Board of Directors. In order to receive Replacement RSUs, you must be employed by us or our subsidiaries on the Commencement Date, and you must remain continuously employed by us or our subsidiaries through the Expiration Date. If your employment with us or our subsidiaries terminates for any reason between the Commencement Date and the Expiration Date, including layoff, termination, voluntary resignation, death or disability, you will be deemed to have withdrawn your tender of any Eligible Awards. In such case, you will retain your outstanding equity awards in accordance with their current terms and conditions and may exercise them during a limited period of time following your termination of employment in accordance with their terms to the extent that they are vested. Although we intend to offer the Equity Exchange to all or substantially all Eligible Employees, we may exclude Eligible Employees in certain non-U.S. jurisdictions from the Equity Exchange if local law or other considerations would have tax, regulatory or other implications that are inconsistent with the Company's compensation policies and practices.

Participation in the Offer does not confer upon you the right to remain employed by us or our subsidiaries. Your employment is "at will" and may be terminated by us or by you at any time, for any reason, with or without cause.

Q5 Who is not eligible to participate in the Equity Exchange?

A5 The following individuals are not eligible to participate in the Equity Exchange:

- Executive officers;
- Members of the Board of Directors; and
- Persons who are no longer employed by us for any reason, including layoff, termination, voluntary resignation, death or disability.

Q6 Are employees who tender their Eligible Awards and are on an approved leave of absence on the Expiration Date eligible to participate?

A6 Yes. If you tender your Eligible Awards and they are cancelled in the Equity Exchange and, on the Expiration Date, you are on an approved leave of absence, you will still be entitled to receive the applicable number of Replacement RSUs on the Expiration Date.

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Q7 What is a Replacement RSU?

A7 Each Replacement RSU represents an unfunded, unsecured right to receive one share of our Common Stock shortly after such Replacement RSU vests. None of the Replacement RSUs will be vested on the date of grant, as described further under “Q21: How will my Replacement RSUs vest?” below. An Eligible Employee is not required to pay any monetary consideration to receive shares of our Common Stock upon settlement of his or her Replacement RSUs; rather, the Eligible Employee realizes the full value of the underlying share of stock on its date of delivery. (See also Section 13)

Q8 How many Replacement RSUs will I receive for the Options and/or SARs that I exchange?

A8 We will issue Replacement RSUs in exchange for Eligible Options and Eligible SARs surrendered pursuant to the Offer according to the exchange ratios set forth in Section 8. We will not issue any Replacement RSUs covering a fractional share in exchange for Eligible Awards. In calculating the number of Replacement RSUs issuable to you in the Equity Exchange, we will round down to the nearest whole number on a grant-by-grant basis.

Q9 Do I have to participate in the Equity Exchange?

A9 No. Participation in the Equity Exchange is completely voluntary. You do not have to participate, and there are no penalties for electing not to participate in the Offer. If you do nothing, you will be deemed to have elected not to participate in the Offer and you will retain your outstanding equity awards in accordance with their current terms and conditions.

Q10 What will happen to Eligible Awards that I choose not to exchange?

A10 Eligible Awards that you choose not to exchange will remain outstanding and retain their existing terms, including the exercise price, vesting schedule and expiration date.

Q11 Why can't I just be granted additional Options or SARs?

A11 We considered grants of additional equity awards at current market prices and/or restricted stock or RSUs in order to increase motivation and retention in light of previously granted equity awards being underwater. However, these additional grants would substantially increase our overhang and cause dilution to stockholders as our share price increases while at the same time would result in a substantial increase in share-based compensation expense.

Q12 May I tender Options or SARs that I have already exercised?

A12 No. The Offer only permits the exchange of Eligible Options and Eligible SARs, and does not apply in any way to shares of Common Stock purchased, whether upon the exercise of Options or otherwise (including purchases via the open market). If you have exercised an Eligible Award in its entirety, those Options or SARs are no longer outstanding and are therefore not subject to the Offer. If you have exercised an Eligible Award in part, the remaining unexercised portion is outstanding and may be tendered for exchange pursuant to the Offer (as long as it has not been forfeited). Eligible Awards for which you have properly submitted an Election Form prior to the Expiration Date will be considered exercised to that extent. You will receive a final confirmation notice that will confirm your Eligible Awards have been accepted for exchange and cancelled and will set forth the number of Replacement RSUs to which you are entitled and the exercise price.

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Q13 Can I exchange my Eligible Awards if they are not currently vested?

A13 Yes. Your Eligible Awards do not need to be vested in order for you to exchange them in response to the Offer. Even if your Eligible Awards are partially or wholly vested, they will be exchanged for unvested Replacement RSUs. (See also “Q21: How will my Replacement RSUs vest?”)

Q14 If I elect to exchange my Eligible Awards, do I have to exchange all of my Eligible Awards or can I just exchange some of them?

A14 You may exchange any or all of your Eligible Awards. However, you cannot exchange part of any particular grant of an Eligible Award and keep the balance; you must exchange all unexercised, non-forfeited Options or SARs in a particular grant of an Eligible Award that you tender in response to the Offer. By way of illustration, if you have an Eligible Award that was granted in 2007, and you would like to exchange that Eligible Award, you may do so only if you exchange the entire Eligible Award (all the remaining unexercised Options or SARs from that grant). You may not exchange just a portion of that particular Eligible Award. By way of further example, you may elect to exchange all of your Eligible Awards granted in April 2007, but elect not to exchange the Eligible Awards granted to you in April 2008.

Q15 Can I exchange the remaining portion of an Eligible Award that I have partially exercised or that has been partially forfeited?

A15 Yes. If you have exercised or forfeited an Eligible Award in part, the remaining unexercised, non-forfeited portion is outstanding and may be tendered for exchange pursuant to the Offer. Eligible Awards for which you have properly submitted an Election Form prior to the Expiration Date will be considered exercised to that extent. You will receive a final confirmation notice that will confirm your Eligible Awards have been accepted for exchange and cancelled and will set forth the number of Replacement RSUs to which you are entitled and the exercise price.

Q16 Will I be required to give up all of my rights under the cancelled Options and/or SARs?

A16 Yes. Once we have accepted your Eligible Awards on the Expiration Date, those Options and/or SARs will be cancelled and you will no longer have any rights thereunder. We intend to cancel all exchanged Eligible Awards on the Expiration Date. We currently expect that the Expiration Date will be December 10, 2009 (though this date may be extended). (See Section 5)

Q17 Why isn't the exchange ratio simply one-for-one and how was the exchange ratio calculated?

A17 The exchange ratios are intended to result in the issuance of Replacement RSUs that are based on the fair value of the cancelled Eligible Awards they replace, determined using the lattice valuation model, though we may incur some incremental compensation expense due to the grouping of Eligible Awards and approximations used in this determination and the stock price at the time of the exchange. To accomplish this goal, we will issue Replacement RSUs in exchange for surrendered Eligible Awards according to the following table:

<u>Grant Exercise Price</u>	<u>Exchange Ratio</u> <u>(Eligible Awards to Replacement RSUs)</u>
\$14.50 - \$18	6 to 1
\$18.01 - \$22.97	7 to 1
\$22.98	16 to 1
Greater than or equal to \$22.99	7 to 1

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Q18 What is the lattice valuation model?

A18 The lattice valuation model is a widely-used and generally accepted valuation methodology that provides an estimate of the fair value of Options and SARs. The calculation of fair value using the lattice valuation model takes into account many variables, such as the volatility of our stock price and the expected remaining life of an Option or SAR.

Q19 If the price of our Common Stock were to increase after the date on which my Eligible Awards are cancelled, is it possible that those cancelled Eligible Awards would have ultimately been more valuable than the Replacement RSUs I received in exchange for them?

A19 Yes. If the price of our Common Stock increases after the date on which your Eligible Awards are cancelled, those cancelled Eligible Awards might prove to have been worth more than the Replacement RSUs that you receive in exchange for them, depending on the extent of the increase. For example, if you exchange Eligible Awards covering 1,000 shares with an exercise price of \$18.03 per share, you would receive a grant of 142 Replacement RSUs (after applying the applicable exchange ratio of Replacement RSUs to Eligible Awards according to the table set forth in Section 8). Assume, for illustrative purposes only, that four years after the Replacement RSU grant date the fair market value of our Common Stock had increased to \$25 per share and all 142 of your Replacement RSUs had vested. Under this example, if you had kept your exchanged Eligible Awards, exercised them, and in the case of Eligible Options, sold the underlying shares at \$25 per share, you would have realized a pre-tax gain of \$6,970, but if you exchanged your Eligible Awards and sold the shares subject to the Replacement RSUs for \$25 per share, you would only realize a pre-tax gain of \$3,550.

For any particular Eligible Award, there is a price of our Common Stock at which the Equity Exchange would be a “break-even” proposition. For example, assuming the exercise price in the example above of \$18.03, the “break-even price” of our Common Stock for that Eligible Award would be \$21.015 multiplied by 142, or \$2,984. If the fair market value of our Common Stock at the time of sale were to exceed the “break-even price” (as in the above example), you would be better off economically to have kept your exchanged Eligible Awards. However, if the fair market value of our Common Stock at the time of sale were less than the “break-even price,” you would be better off economically to have exchanged the Eligible Awards for Replacement RSUs.

Note that this discussion of the “break-even price” does not take into account vesting. Your Eligible Awards may be partially or fully vested already, whereas the Replacement RSUs granted pursuant to the Offer will be subject to a new one year minimum vesting period. To the extent that the vesting period of a portion of an Eligible Award exceeds one year, the Replacement RSU will maintain the original vesting term of the Option or SAR for a reciprocal portion of the Replacement RSU, and the Replacement RSU will only vest if the holder remains an employee of the Company or its subsidiaries through the applicable vesting dates. The “break-even price,” your judgment regarding the future value of our Common Stock and the fact that the Replacement RSUs are subject to future vesting are all factors you may wish to consider when deciding whether to participate in the Offer.

Q20 When will I receive my Replacement RSUs?

A20 If you participate in the Offer, we expect that you will be granted your Replacement RSUs on or promptly following the Expiration Date (currently expected to be December 10, 2009, or a later date if we extend the Offer).

Q21 How will my Replacement RSUs vest?

A21 If you exchange an Eligible Award in the Offer that has already vested or that will vest within one year after the date of grant of the Replacement RSUs under its original vesting terms, you will receive unvested Replacement RSUs with a new one year minimum vesting period. To the extent the vesting period of a

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portion of an Eligible Award exceeds one year, the Replacement RSU will maintain the original vesting term of the Option or SAR for a reciprocal portion of the Replacement RSU. By way of example, a Replacement RSU for an Eligible Award with a grant date of April 2008 that vests ratably over three years will vest 67% on the first anniversary of the Replacement RSU grant date (i.e. the one year minimum vesting period) and 33% on the third anniversary of the grant date of the Eligible Award (i.e. April 2011). Replacement RSUs will only vest if you remain an employee of the Company or its subsidiaries through the applicable vesting dates. Replacement RSUs that are not vested at the time your employment with us or our subsidiaries terminates will be forfeited. As described above, the Replacement RSUs will be completely unvested on the date of grant, regardless of whether the surrendered Eligible Awards were partially or completely vested.

Q22 Will the terms and conditions of my Replacement RSUs be the same as my exchanged Options and/or SARs?

A22 RSUs are a different type of award than Options and SARs, and so the terms and conditions of your Replacement RSUs will necessarily be different from your Options and/or SARs. Your Replacement RSUs will be subject to a Replacement RSU Agreement between you and the Company. For more information on the specific terms applicable to Replacement RSUs granted in the Offer, see the form of Replacement RSU Agreement attached as Exhibit d(3) to the Schedule TO. **If you receive Replacement RSUs in exchange for Eligible Awards and your employment with us or our subsidiaries terminates for any reason prior to the full vesting of your Replacement RSUs, then you will forfeit any Replacement RSUs received that remain unvested at the time your employment with us or our subsidiaries terminates.** (See also Q21 and Q23)

Q23 Will I have to pay taxes if I participate in the Offer?

A23 Neither the grant of Replacement RSUs in exchange for Eligible Awards nor the vesting of Replacement RSUs should constitute a taxable event for you (or result in a deduction for us); however, you generally will recognize taxable compensation income equal to the fair market value of the shares delivered in respect of vested Replacement RSUs at the time of delivery of those shares. Income that you recognize upon share delivery will be considered wages and will be subject to ordinary income and employment tax (including social security contribution) withholding at the time of share delivery. In addition, we will be entitled to a corresponding deduction equal to the fair market value of such shares at the time of share delivery, but the deduction may be limited by Section 280G and/or 162(m) of the Code in the case of compensation payable to certain Eligible Employees designated in those Sections. Your disposition of shares obtained in respect of vested Replacement RSUs should be treated as a long- or short-term capital gain or capital loss to you (and should not entitle us to a tax deduction), depending on the ultimate sale price of the shares and the duration for which you hold them.

If you are a tax resident of a country other than the United States, the tax consequences of participating in the Offer, as well as for your Replacement RSUs, may be different.

We strongly recommend that you consult with your own tax advisor to determine the personal tax consequences to you of participation in the Offer. If you are a tax resident of or subject to the tax laws in more than one country, you should be aware that there might be additional tax and social insurance consequences in more than one country that may apply to you. In addition, state and local tax consequences not discussed here may apply.

Q24 What are the tax implications for not participating in the Offer? (This question applies only to employees in the United States)

A24 We do not believe that the Offer will change any of the terms of your Eligible Awards if you do not accept the Offer. If you are a tax resident of a country other than the United States, the tax consequences of not participating in the Offer may be different.

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Q25 Are there conditions to the consummation of the Offer?

A25 Yes. The consummation of the Offer is subject to a number of conditions, including the approval of our stockholders and the conditions described in Section 6 of the Offer which you should read carefully. However, the Offer is not conditioned upon a minimum number of Eligible Employees accepting the Offer or a minimum number of Eligible Awards being tendered for exchange.

Under the listing rules of the NYSE, stockholder approval is required in order for the Equity Exchange to be implemented. If stockholder approval is not obtained at the Special Meeting, we will not be able to implement the Equity Exchange.

Q26 Are the terms and conditions of the Offer the same for all Eligible Employees?

A26 Yes. The terms and conditions of the Offer are the same for all Eligible Employees.

Q27 How should I decide whether or not to participate?

A27 We understand that the decision to participate or not to participate will be a challenging decision for everyone. The Offer does carry considerable risk, and there are no guarantees regarding our future stock performance. As a result, the decision to participate must be your personal decision, and it will depend largely on your assumptions about the future overall economic environment, our stock price, our business and your desire and ability to remain an employee of the Company or its subsidiaries until the Replacement RSUs become vested (See also Q19). **Although our Board of Directors has approved this Offer, neither we nor our Board of Directors makes any recommendation as to whether you should elect to exchange or refrain from electing to exchange your Eligible Awards. As a result, you must make your own personal decision whether to elect to exchange your Eligible Awards. We urge you to consult your own legal, financial and tax advisors before deciding whether to elect to exchange your Eligible Awards.**

Q28 How long will the Offer remain open?

A28 Presently, the Offer is scheduled to remain open until 5:00 p.m. Pacific Standard Time on the Expiration Date, which is currently expected to be December 10, 2009. We currently have no plans to extend the Offer beyond December 10, 2009. However, if we do extend the Offer, you will be notified of the extension. If we extend the Offer, we will announce the extension no later than 6:00 a.m. Pacific Standard Time on the next business day following the scheduled or announced Expiration Date. Further, subject to our compliance with applicable law, we may amend or terminate the Offer. We will notify you if we amend or terminate the Offer. We may be required to extend the Offer under certain circumstances, including in the event we materially change the terms of the Offer.

Q29 How do I participate in the Equity Exchange?

A29 Election instructions along with the required documentation to make your exchange election are enclosed with this Offer to Exchange. To participate, you must complete and submit the enclosed Election Form, which must be **received** by us no later than 5:00 p.m. Pacific Standard Time on December 10, 2009, unless this Offer is extended. Election Forms may be submitted by any one of the following methods:

- Mailed to AMN Healthcare Services, Attn: Legal Department, 12400 High Bluff Drive, Suite 100, San Diego, CA 92130; or
- Inter-office or hand mail to Legal Department; or
- Scanned and e-mailed to equityadministrator@amnhealthcare.com.

Q30 How does the Company determine whether an Eligible Award has been properly tendered?

A30 We will determine, in our discretion, all questions about the validity, form, eligibility (including time of receipt) and acceptance of any Eligible Awards. We reserve the right to reject any Election Form or any Eligible Awards tendered for exchange that we determine are not in appropriate form or that we determine are unlawful to accept. We will accept all properly tendered Eligible Awards that are not validly withdrawn, subject to the terms of this Offer. No tender of Eligible Awards will be deemed to have been properly made until all defects or irregularities have been cured or waived by us. We have no obligation to give notice of any defects or irregularities in any Election Form and we will not incur any liability for failure to give any notice. Our determination regarding proper tender may be challenged by the affected party. Only a court of competent jurisdiction may make a decision concerning proper tender that will be final and binding upon all persons. (See Sections 3 and 4)

Q31 May I withdraw or change my election?

A31 Yes. You may withdraw or change a previously submitted election to exchange Eligible Awards at any time before 5:00 p.m. Pacific Standard Time on December 10, 2009. If this Offer is extended by us beyond that time, you can withdraw or change your election at any time before the time to which this Offer is extended.

Q32 How do I withdraw or change my election?

A32 You can change your election at any time by either delivering a Notice of Withdrawal or revising and re-delivering your Election Form prior to the Expiration Date in the same manner set forth in the answer to “Q29: How do I participate in the Equity Exchange?” There is no limit to the number of times you can change your election prior to the Expiration Date. However, the last Notice of Withdrawal or Election Form received prior to the Expiration Date will supersede any prior Election Form or Notice of Withdrawal and will determine your decision to participate in the Offer and which Eligible Awards, if any, are subject to your election.

Q33 How will I know my Eligible Awards were exchanged?

A33 If your Eligible Awards are properly tendered for exchange and accepted by us for exchange, you will receive a final confirmation notice following the Expiration Date. The final confirmation notice will confirm that your Eligible Awards have been accepted for exchange and cancelled and will set forth the number of Replacement RSUs that have been granted to you and their exercise price.

Q34 How do I obtain information about all of my existing Options and SARs?

A34 To review the list of all your outstanding equity awards, you may log in to your account with EASi at <http://easiadmin.com/site/index.aspx>.

Q35 Must I submit my Eligible Award grant documents with my Election Form?

A35 No. You do not need to submit any Eligible Award grant documents in order to tender Eligible Awards for exchange.

Q36 What will happen if my Election Form is not received as required by the deadline?

A36 If your Election Form is not received by us by 5:00 p.m. Pacific Standard Time on December 10, 2009, then you will not be able to participate in the Equity Exchange and all Options and/or SARs currently held by you will remain unchanged.

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Q37 Where do I go if I have additional questions about the Offer?

A37 Please direct your questions to Equity Administrator at (858) 509-3588 or equityadministrator@amnhealthcare.com. We will review these questions periodically throughout the Eligibility Period.

THE OFFER

1. PURPOSE OF THE OFFER

Historically, we have granted equity awards to our employees as an incentive to attract and retain a highly qualified management team. We use a combination of cash and equity to provide strong incentives for management to achieve the Company's strategic and financial objectives by making a substantial amount of short and long term compensation dependent on Company performance. We believe this structure provides the right balance of risk and reward as the equity program does not encourage unnecessary or excessive risk that threatens the long term value of the Company. We grant equity awards to incentivize management to have a longer term perspective in supporting our growth strategy and to meet our financial objectives on a sustained basis. We believe that management's success in executing the growth strategy and consistently meeting our financial objectives will provide longer-term returns to our stockholders.

Like most professional staffing firms, our stock price has experienced significant decline. This decline is a result of a large number of global economic factors, including the highest levels of unemployment in the past 25 years. The reduction in demand that we have experienced for our services as a result of the general economic decline and high unemployment is not unique to the Company and has been felt across the industry based on the reports from our public competitors. For our clients, the economic conditions have severely constricted budgets and access to operating capital, lowered permanent staff attrition rates and increased uncertainty regarding future patient admission levels and the collectability of receivables. These factors have, in turn, reduced demand for our services as healthcare organizations have placed an increased reliance on permanent labor to meet staffing needs both generally and on an incremental basis by reducing hours, shifts and/or assignments available and increased their efforts to conduct their own internal recruitment efforts.

These broad market and industry factors have contributed to and may continue to contribute to the decline of the market price of our Common Stock. Consequently, many of our employees hold equity awards with exercise prices significantly higher than the current fair market value of our Common Stock. As of October 26, 2009, Eligible Employees held Options to purchase approximately 734,052 shares of our Common Stock with exercise prices ranging from \$9.68 per share to \$22.98 per share, of which Options to purchase 606,400 shares constituted Eligible Options, and as of that same date, Eligible Employees held SARs representing 905,138 shares of our Common Stock with exercise prices ranging from \$4.79 per share to \$24.95 per share, of which SARs representing 599,388 shares constituted Eligible SARs. On October 30, 2009, the closing price of our Common Stock on the NYSE was \$8.32 and therefore, as of such date, all of the Eligible Awards were "out of the money" by at least 43%. We believe that these "out of the money" equity awards are no longer effective as performance and retention incentives. In addition, many of these equity awards have been "out of the money" for an extended period of time, as a result of which we have developed a significant equity award "overhang" comprised of equity awards that do not provide employees with performance incentives. To enhance long-term stockholder value, we need to maintain competitive employee compensation and incentive programs. A meaningful equity stake in our success is a critical component of these programs as we compete for talent within the San Diego and Dallas metropolitan markets that offer a highly skilled workforce and serve as the corporate headquarters for a diversified industrial base that have been impacted to different degrees by the economic downturn. We believe the Equity Exchange will provide us with an opportunity to restore for Eligible Employees the ability to participate economically in our future growth and success.

Assuming that 100% of our Eligible Employees participate in the Offer and surrender all of their Eligible Awards for exchange, Eligible Awards covering approximately 1,205,788 shares of our Common Stock as of October 26, 2009 would be surrendered and cancelled, while approximately 178,366 Replacement RSUs would be issued (subject to decrease due to rounding of fractional shares).

Except as otherwise disclosed in this Offer to Exchange, we presently have no plans, proposals or negotiations that relate to or would result in:

- (a) any extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving us;

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- (b) any purchase, sale or transfer of a material amount of our assets;
- (c) any material change in our dividend policy, indebtedness or capitalization;
- (d) any change in our present Board of Directors or executive officers, including a change in the number or term of directors or a change in any material term of the employment contract of any executive officer;
- (e) any other material change in our corporate structure or business;
- (f) our Common Stock being delisted from any national securities exchange or ceasing to be authorized for quotation in an automated quotation system operated by a national securities association;
- (g) our Common Stock becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Securities Exchange Act of 1934, as amended (the "Exchange Act");
- (h) the suspension of our obligation to file reports pursuant to Section 15(d) of the Exchange Act;
- (i) the acquisition by any person of any of our securities or the disposition of any of our securities; or
- (j) any change in our Certificate of Incorporation or Bylaws, or any actions which may impede the acquisition of control of us by any person.

From time to time, as part of our strategy, the Company evaluates acquisition or investment opportunities.

Neither we nor our Board of Directors makes any recommendation as to whether you should exchange your Eligible Awards, nor have we authorized any person to make any such recommendation. You are urged to evaluate carefully all of the information in this Offer to Exchange and to consult your own legal, financial and/or tax advisors. You must make your own decision whether to exchange your Eligible Awards.

2. NUMBER OF ELIGIBLE AWARDS; EXPIRATION DATE

We will issue Replacement RSUs in exchange for Eligible Options and Eligible SARs surrendered pursuant to the Offer according to the exchange ratios set forth in Section 8. The exchange ratios are intended to result in the issuance of Replacement RSUs that are based on the fair value of the cancelled Eligible Awards they replace, determined using the lattice valuation model, though we may incur some incremental compensation expense due to the grouping of Eligible Awards and approximations used in this determination and the stock price at the time of the exchange. None of the Replacement RSUs will be vested on the date of grant. Replacement RSUs will be subject to a new one year vesting period or, to the extent the remaining period of the original vesting terms of the Eligible Awards for which they are exchanged exceeds one year, will maintain such original vesting terms. Replacement RSUs will be granted under our Equity Plan and will represent an unfunded, unsecured right to receive one share of our Common Stock shortly after the Replacement RSU vests. As of October 26, 2009, Eligible Employees held Options to purchase approximately 734,052 shares of our Common Stock, of which Options to purchase 606,400 shares constituted Eligible Options, and as of that same date, Eligible Employees held SARs representing 905,138 shares of our Common Stock, of which SARs representing 599,388 shares constituted Eligible SARs.

Participation in the Equity Exchange is voluntary. An Eligible Employee may exchange one or more of his or her Eligible Awards for Replacement RSUs. However, an Eligible Employee cannot exchange part of any particular grant of an Eligible Award and keep the balance. This Offer is subject to the terms and conditions described in this Offer to Exchange, which may be amended from time to time. We will only grant Replacement RSUs in respect of Eligible Awards that are properly tendered and not validly withdrawn in accordance with Section 4 of the Offer before the Offer expires on the Expiration Date. We will not issue any Replacement RSUs covering a fractional share in exchange for Eligible Awards. In calculating the number of Replacement RSUs issuable to you in the Equity Exchange, we will round down to the nearest whole number on a grant-by-grant basis.

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Participation in the Offer does not confer upon you the right to remain employed by us or our subsidiaries. Your employment is “at will” and may be terminated by us or by you at any time, for any reason, with or without cause.

If your employment with us or our subsidiaries terminates after you tender your Eligible Awards but prior to the Expiration Date, you will be deemed to have withdrawn any prior election to participate in the Offer. In such case, you will retain your outstanding equity awards in accordance with their current terms and conditions and may exercise them during a limited period of time following your termination of employment in accordance with their terms to the extent that they are vested. Options with exercise prices lower than \$14.50 per share or that were granted after September 30, 2005, and SARs with exercise prices lower than \$14.50 per share or that were granted after September 30, 2008, are not eligible to be exchanged and will not be accepted for exchange.

If you receive Replacement RSUs in exchange for Eligible Awards and your employment with us or our subsidiaries terminates for any reason before all of your Replacement RSUs vest, then you will forfeit any Replacement RSUs received that remain unvested at the time your employment terminates.

We will publish a notice if we decide to amend the Offer and take any of the following actions:

- increase or decrease what we will give you in exchange for your tendered Eligible Awards; or
- increase or decrease the number of Eligible Awards that can be exchanged.

If the Offer is scheduled to expire within ten business days from the date we notify you of such an amendment, we also intend to extend the Offer for a period of ten business days after the date the notice is published.

A business day means any day other than a Saturday, Sunday or U.S. federal holiday and consists of the time period from 12:01 a.m. through 12:00 midnight.

3. PROCEDURES

Making Your Election. If you wish to participate in the Equity Exchange, you should complete and return an Election Form, a copy of which accompanies this Offer to Exchange. Election Forms should be sent to the Company by one of the following methods:

- By mail to AMN Healthcare Services, Attn: Legal Department, 12400 High Bluff Drive, Suite 100, San Diego, CA 92130; or
- By inter-office or hand mail to Legal Department; or
- By e-mail to equityadministrator@amnhealthcare.com.

To participate, your Election Form must be **received** by us no later than 5:00 p.m. Pacific Standard Time on December 10, 2009, unless this Offer is extended by us. If your Eligible Awards are properly tendered for exchange and accepted by us for exchange, you will receive a final confirmation notice following the Expiration Date. The final confirmation notice will confirm that those Eligible Awards have been accepted for exchange and cancelled and will set forth the number of Replacement RSUs that have been granted to you and their exercise price.

If we do not receive your Election Form by the Expiration Date, then you will not be able to participate in the Equity Exchange, and each equity award currently held by you will remain intact with its original exercise price and with its other original terms.

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Determination of Validity; Rejection of Eligible Awards; No Obligation to Give Notice of Defects. We will determine, in our discretion, all questions about the validity, form, eligibility (including time of receipt) and acceptance of any Eligible Awards. We reserve the right to reject any Election Form or any Eligible Awards tendered for exchange that we determine are not in appropriate form or that we determine are unlawful to accept. We will accept all properly tendered Eligible Awards that are not validly withdrawn, subject to the terms of this Offer. No tender of Eligible Awards will be deemed to have been properly made until all defects or irregularities have been cured or waived by us. We have no obligation to give notice of any defects or irregularities in any Election Form and we will not incur any liability for failure to give any notice. Our determination regarding proper tender may be challenged by the affected party. Only a court of competent jurisdiction may make a decision concerning proper tender that will be final and binding upon all persons.

Our Acceptance Constitutes an Agreement. If you elect to exchange your Eligible Awards and you tender your Eligible Awards according to the procedures described above, you will have accepted the Offer. **Our acceptance of your Eligible Awards that are properly tendered will form a binding agreement between us and you on the terms and subject to the conditions of the Offer.** Subject to our rights to extend, terminate and amend the Offer, we currently expect that we will accept, on the Expiration Date, all Eligible Awards that are properly submitted to be exchanged and have not been validly withdrawn.

4. CHANGE IN ELECTION

You may only change your election by following the procedures described in this Section 4. You may change your election at any time beginning on the Commencement Date and ending at 5:00 p.m. Pacific Standard Time on the Expiration Date.

To change your existing election to cover additional or fewer Eligible Awards, you must submit a new Election Form in accordance with the procedures in Section 3. We must *receive* the new Election Form before the Expiration Date. To cancel your election and reject the Offer with respect to all of your Eligible Awards, you must deliver a Notice of Withdrawal using one of the methods described in Section 3, before 5:00 p.m. Pacific Standard Time on the Expiration Date. For copies of these documents, please contact Equity Administrator at (858) 509-3588 or equityadministrator@amnhealthcare.com. The last Notice of Withdrawal or Election Form delivered by you as described above prior to 5:00 p.m. Pacific Standard Time on the Expiration Date will be treated as your final election with respect to the Offer and will supersede any prior election or Notice of Withdrawal.

The delivery of Election Forms, Notices of Withdrawal and any other required documents are at the election and risk of the electing equity award holder. Neither we nor any other person is obligated to give you notice of any defects or irregularities in any Election Form, Notice of Withdrawal, or any other required documents, nor will anyone incur any liability for failure to give any notice. Delivery will be deemed made only when actually received by us. No late deliveries will be accepted. We will determine, in our discretion, all questions as to the form and validity, including time of receipt of the Election Form or Notice of Withdrawal. Eligible Employees may challenge any determination that we make in a court of competent jurisdiction, and only such court can make a determination that will be final and binding upon all parties.

5. ACCEPTANCE OF ELIGIBLE AWARDS FOR EXCHANGE AND CANCELLATION; ISSUANCE OF REPLACEMENT RSUS

On the terms and subject to the conditions of the Offer, we currently expect that on the Expiration Date, we will accept for exchange and cancel all Eligible Awards properly tendered and not validly withdrawn before the Expiration Date in accordance with the Offer. The Replacement RSUs are expected to be granted on or promptly following the Expiration Date. We will exchange Replacement RSUs for Eligible Awards surrendered pursuant to the Offer according to the exchange ratios set forth in Section 8. The exchange ratios are intended to result in

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the issuance of Replacement RSUs that are based on the fair value of the cancelled Eligible Awards they replace, determined using the lattice valuation model, though we may incur some incremental compensation expense due to the grouping of Eligible Awards and approximations used in this determination and the stock price at the time of the exchange.

We will not issue any Replacement RSUs covering a fractional share in exchange for the cancellation of Eligible Awards. In calculating the number of Replacement RSUs issuable to you in the Equity Exchange, we will round down to the nearest whole number on a grant-by-grant basis.

In order to receive Replacement RSUs, you must be employed by us or our subsidiaries on the Commencement Date, and you must remain continuously employed by us or our subsidiaries through the Expiration Date. If your employment with us or our subsidiaries terminates for any reason between the Commencement Date and the Expiration Date, including layoff, termination, voluntary resignation, death or disability, you will be deemed to have withdrawn your tender of any Eligible Awards. In such case, you will retain your outstanding equity awards in accordance with their current terms and conditions and may exercise them during a limited period of time following your termination of employment in accordance with their terms to the extent that they are vested.

6. CONDITIONS OF THE OFFER

In accordance with the listing rules of the NYSE, it is a condition to the Offer that stockholder approval of the Equity Exchange be obtained. If stockholder approval is not obtained at the Special Meeting, we will terminate this Offer.

In addition, we will not be required to accept any Eligible Awards that you elect to tender in the Offer, and we may terminate or amend the Offer, or postpone our acceptance and cancellation of any Eligible Awards that you elect to tender, in each case, at any time on or before the Expiration Date, if any of the following events shall have occurred, or shall have been determined by us, in our reasonable judgment, to have occurred:

- (a) any change or changes in the applicable accounting rules that cause the Offer to subject us to adverse accounting treatment.
- (b) any action or proceeding by any government agency, authority or tribunal or any other person, domestic or foreign, threatened or pending before any court, authority, agency or tribunal that directly or indirectly challenges the making of the Offer, the acquisition of some or all of the Eligible Awards, the issuance of Replacement RSUs, or otherwise relates to the Offer or that, in our reasonable judgment, could materially and adversely affect our business, condition (financial or otherwise), income, operations or prospects or materially impair the benefits we believe we will receive from the Equity Exchange.
- (c) the occurrence of:
 - (i) any general suspension of trading in, or limitation on prices for, securities on any national securities exchange or in the over-the-counter market;
 - (ii) the declaration of a banking moratorium or any suspension of payments in respect of banks in the United States, whether or not mandatory; or
 - (iii) in our reasonable judgment, any extraordinary or material adverse change in the United States or global financial markets generally.
- (d) the commencement, continuation, or escalation of a war or other national or international calamity which reasonably could be expected to affect materially or adversely, or to delay materially, the completion of this Offer.
- (e) the closing trading price of our Common Stock on the NYSE shall have exceeded \$14.50 per share;

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- (f) another person making or proposing a tender or exchange offer for some or all of our Common Stock, or an offer to merge with or acquire us, or we learn that:
- (i) any person, entity or group, within the meaning of Section 13(d)(3) of the Exchange Act, has acquired or proposes to acquire beneficial ownership of more than 5% of the outstanding shares of our Common Stock, or any new group shall have been formed that beneficially owns more than 5% of the outstanding shares of our Common Stock, other than any such person, entity or group that has filed a Schedule 13D or Schedule 13G with the SEC on or before the Expiration Date;
 - (ii) any such person, entity or group that has filed a Schedule 13D or Schedule 13G with the SEC on or before the Expiration Date has acquired or proposed to acquire beneficial ownership of an additional 1% or more of the outstanding shares of our Common Stock; or
 - (iii) any person, entity or group shall have filed a Notification and Report Form under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 or made a public announcement that it intends to acquire us or any of our assets or securities.
- (g) any event or events has occurred that has resulted or is reasonably likely to result, in our reasonable judgment, in a material adverse change in our business or financial condition.

The conditions to the Offer are for our benefit. We may assert them in our discretion regardless of the circumstances giving rise to them before the expiration of the Eligibility Period. We may assert them in our sole discretion when events occur that give rise to such conditions before the Expiration Date, so long as such condition was not triggered as a result of any action or inaction by us. If a condition is triggered and unless satisfaction of the condition is dependent upon the receipt of government approvals after the Expiration Date, we will promptly notify impacted Eligible Employees whether we have waived such condition. Our failure at any time to exercise any of these rights shall be deemed a waiver of the triggering condition. Depending on the materiality of the waived condition and the number of days remaining in the Eligibility Period, we may extend the Offer and circulate documents to Eligible Persons as required by applicable securities laws. Eligible Employees may challenge any determination that we make in a court of competent jurisdiction, and only such court can make a determination that will be final and binding upon all parties.

7. PRICE RANGE OF COMMON STOCK

The Eligible Awards and the Replacement RSUs are not publicly traded. However, upon exercise of an Eligible Option or the delivery of shares shortly after vesting of a Replacement RSU, the equity award holder becomes a holder of our Common Stock. Our Common Stock is quoted on NYSE under the symbol "AHS." The following table shows, for the periods indicated, the high and low sales prices per share of our Common Stock as reported on NYSE.

<u>Quarter ended</u>	<u>High</u>	<u>Low</u>
Fiscal Year 2009		
October 1, 2009 through 30, 2009	\$ 11.00	\$ 8.05
September 30, 2009	\$ 10.61	\$ 5.94
June 30, 2009	\$ 8.07	\$ 4.94
March 31, 2009	\$ 8.92	\$ 4.56
Fiscal Year 2008		
December 31, 2008	\$ 17.57	\$ 7.45
September 30, 2008	\$ 20.38	\$ 16.20
June 30, 2008	\$ 17.89	\$ 14.48
March 31, 2008	\$ 17.24	\$ 14.25
Fiscal Year 2007		
December 31, 2007	\$ 20.05	\$ 16.40
September 30, 2007	\$ 22.38	\$ 16.62
June 30, 2007	\$ 25.25	\$ 21.04
March 31, 2007	\$ 29.10	\$ 20.75

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On October 30, 2009, the closing price of our Common Stock as reported by NYSE was \$8.32. We recommend that you obtain current market quotations for our Common Stock before deciding whether to elect to exchange your Eligible Awards for Replacement RSUs in the Offer.

8. EXCHANGE RATIO

We will exchange Replacement RSUs for Eligible Awards surrendered according to the following table:

<u>Grant Exercise Price</u>	<u>Exchange Ratio</u> <u>(Eligible Awards to Replacement RSUs)</u>
\$14.50 - \$18	6 to 1
\$18.01 - \$22.97	7 to 1
\$22.98	16 to 1
Greater than or equal to \$22.99	7 to 1

The exchange ratios are intended to result in the issuance of Replacement RSUs that are based on the fair value of the cancelled Eligible Awards they replace, determined using the lattice valuation model, though we may incur some incremental compensation expense due to the grouping of Eligible Awards and approximations used in this determination and the stock price at the time of the exchange.

We will not issue any Replacement RSUs covering a fractional share in exchange for Eligible Awards. In calculating the number of Replacement RSUs issuable to you in the Equity Exchange, we will round down to the nearest whole number on a grant-by-grant basis.

9. SOURCE AND AMOUNT OF CONSIDERATION; TERMS OF REPLACEMENT RSUS

Each Replacement RSU issued in the Equity Exchange will be granted pursuant to the Equity Plan and will represent an unfunded, unsecured right to receive one share of our Common Stock shortly after the Replacement RSU vests. Replacement RSUs have no exercise or purchase price and do not require Eligible Employees to pay any monetary consideration to receive shares of our Common Stock upon settlement. Other terms and conditions of the Replacement RSUs to be issued in the Equity Exchange will be substantially the same as those granted under our form of Restricted Stock Unit Agreement. For additional information regarding the terms of the Replacement RSUs to be issued in the Equity Exchange, please refer to the Equity Plan, which is attached as Exhibit d(1) to the Schedule TO. A discussion of the taxation of Replacement RSUs is provided in Section 13 below.

If we receive and accept the exchange of all Eligible Awards, we will grant Replacement RSUs covering a total of approximately 178,366 shares of our Common Stock (subject to decrease due to rounding of fractional shares) and will terminate Options and SARs covering an aggregate of 1,205,788 shares of our Common Stock. As of October 31, 2009, there were 32,630,721 shares of our Common Stock outstanding. The Common Stock issuable upon settlement of all Replacement RSUs would equal approximately 0.55% of the total shares of our Common Stock outstanding as of October 31, 2009.

10. INTERESTS OF DIRECTORS AND OFFICERS; TRANSACTIONS AND ARRANGEMENTS INVOLVING THE ELIGIBLE AWARDS

A list of our executive officers and members of our Board of Directors is attached to this Offer to Exchange as Schedule A. Members of our Board of Directors and our executive officers are not eligible to participate in the Equity Exchange.

As of October 31, 2009, our directors and executive officers (a total of 11 persons) as a group held unexercised and outstanding Options and SARs covering a total of 1,671,297 of shares of our Common Stock, which represented approximately 50% of the shares subject to all Options and SARs outstanding as of that date.

The following table sets forth the beneficial ownership of each of our directors and executive officers of Options and SARs as of October 31, 2009. The percentages in the table are based on the total number of outstanding Options and SARs, whether or not such Options and SARs are Eligible Awards, which was approximately 3,351,946 as of October 31, 2009. As noted above, these individuals are not eligible to participate in the Equity Exchange.

Name	Position	Shares Under Outstanding Options(1)	Percentage of Total Outstanding Options	Shares Under Outstanding SARs(1)	Percentage of Total Outstanding SARs	Combined Shares Under Outstanding Options and SARs(1)	Percentage of Total Outstanding Options and SARs
Bary Bailey(2)	Chief Financial Officer	0	0%	219,834	12.70%	219,834	6.56%
David C. Dreyer(3)	Former Chief Financial Officer	225,000	13.88%	43,808	2.53%	268,808	8.02%
R. Jeffrey Harris	Director	10,000	0.62%	21,319	1.23%	31,319	0.93%
Ralph Henderson	President Nurse and Allied Staffing	0	0%	80,573	4.66%	80,573	2.40%
Denise Jackson	Senior Vice President, General Counsel and Secretary	111,000	6.85%	75,926	4.39%	186,926	5.58%
Michael M.E. Johns, M.D.	Director	0	0%	9,930	0.57%	9,930	0.30%
Hala G. Moddelmog	Director	0	0%	14,201	0.82%	14,201	0.42%
Susan Nowakowski	Director, President and Chief Executive Officer	444,405	27.41%	263,012	15.20%	707,417	21.10%
Andrew M. Stern	Director	75,000	4.63%	16,874	0.98%	91,874	2.74%
Paul E. Weaver	Director	0	0%	19,096	1.10%	19,096	0.57%
Douglas D. Wheat	Chairman of the Board	20,000	1.23%	21,319	1.23%	41,319	1.23%

(1) Includes shares under Options and/or SARs exercisable on October 31, 2009 and Options and/or SARs which become exercisable within 60 days thereafter.

(2) Mr. Bailey was appointed as the Company's Chief Financial Officer effective August 10, 2009.

(3) Mr. Dreyer resigned as the Company's Chief Financial Officer effective August 9, 2009 and acted in an advisory capacity to the Company through August 30, 2009. These equity awards will be forfeited if they are not exercised by Mr. Dreyer on or before November 30, 2009.

Other than transactions in our securities in the ordinary course under our Equity Plan with persons who are neither executive officers nor directors of the Company, neither we nor any of our subsidiaries nor, to our knowledge, our executive officers, directors or affiliates have effected transactions in Options, SARs or shares of our Common Stock during the 60 days prior to October 31, 2009.

Except as described in this Offer to Exchange, and other than outstanding Options, SARs and other awards granted from time to time to certain of our employees (including our executive officers) and our directors under our Equity Plan, neither we nor, to our knowledge, any of our directors or executive officers, is a party to any contract, arrangement, understanding, or relationship with any other person with respect to any of our securities (including any contract, arrangement, understanding, or relationship concerning the transfer or voting of securities, joint ventures, loan

or option arrangements, puts or calls, guarantees of loans, guarantees against loss, or the giving or withholding of proxies, consents, or authorizations).

11. STATUS OF ELIGIBLE AWARDS ACQUIRED BY US IN THE EQUITY EXCHANGE; ACCOUNTING TREATMENT

Assuming that 100% of Eligible Employees fully participate in the Offer, Eligible Awards covering approximately 1,205,788 shares of our Common Stock as of October 26, 2009 would be surrendered and cancelled, while approximately 178,366 Replacement RSUs would be issued (subject to decrease due to rounding of fractional shares), resulting in a net reduction of approximately 1,027,422 shares of our Common Stock underlying outstanding equity awards.

If we implement the Offer, up to 800,000 of the shares underlying the surrendered Eligible Options and Eligible SARs granted under the Equity Plan will automatically return to the pool of shares available for grant under the Equity Plan. As of October 31, 2009, we had 2,258,310 shares available for future grant under the Equity Plan without giving effect to the Offer. Assuming all the Eligible Awards (covering 1,234,876 shares) are exchanged and all 178,366 Replacement RSUs are granted in the Offer, we will have 3,058,310 shares available for future grant under the Equity Plan (assuming no other awards are granted or forfeited during this time).

Under the authoritative accounting guidance for share-based payments, the exchange of Eligible Awards under the Equity Exchange is treated as a modification of the existing equity awards for accounting purposes. Accordingly, we will recognize the unamortized compensation cost of the surrendered Eligible Awards, as well as the incremental compensation cost of the Replacement RSUs granted in the Equity Exchange, ratably over the vesting or service period of the Replacement RSUs. The incremental compensation cost will be measured as the excess, if any, of the fair value of each Replacement RSU granted to Eligible Employees in exchange for surrendered Eligible Awards, measured as of the date the Replacement RSUs are granted, over the fair value of the surrendered Eligible Awards in exchange for the Replacement RSUs, measured immediately prior to the cancellation. Since the exchange ratios will be based on the fair value of Eligible Awards surrendered being approximately equal to the fair value of the Replacement RSUs, in accordance with the authoritative accounting guidance for share-based payments, the Company does not anticipate it will recognize any significant incremental compensation expense for financial reporting purposes as a result of the Equity Exchange; we may incur some incremental compensation expense as a result of approximations used in this determination due to the grouping of Eligible Awards with similar exercise prices together and the stock price at the time of the exchange. As would be the case with Eligible Awards, in the event that any of the Replacement RSUs are forfeited prior to their vesting due to termination of service, the compensation cost for the forfeited Replacement RSUs will not be recognized.

12. LEGAL MATTERS; REGULATORY APPROVALS

We are not aware of any license or regulatory permit that appears to be material to our business that might be adversely affected by this Offer to Exchange, or of any approval or other action by any government or regulatory authority or agency that is required for the acquisition or ownership of the Eligible Awards and the grant of Replacement RSUs as described in the Offer. If any other approval or action should be required, we presently intend to seek such approval or take such action. This could require us to delay the acceptance of any Eligible Awards that you elect to exchange. We cannot assure you that we would be able to obtain any required approval or take any other required action. Our failure to obtain any required approval or take any required action might result in adverse consequences to our business. Our obligation under the Offer to accept tendered Eligible Awards and to issue Replacement RSUs is subject to conditions, including the conditions described in Section 6.

13. MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

Following is a discussion of the material U.S. federal income tax consequences associated with the exchange of Eligible Awards for Replacement RSUs pursuant to the Offer for those Eligible Employees subject to U.S. federal income tax. This discussion is based on the Code, its legislative history, treasury regulations thereunder and administrative and judicial interpretations as of the date of the Offer, all of which may change, possibly on a retroactive basis. This summary does not discuss all of the tax consequences that may be relevant to you in light of your particular circumstances. In particular, this discussion does not address any aspect of foreign, state or local income taxation or any other form of taxation that may be applicable to you.

We recommend that you consult your own tax advisor with respect to the United States federal, state and local and non-U.S. tax consequences of participating in the Offer, as the tax consequences to you are dependent on your individual tax situation.

We believe that the exchange of Eligible Awards for Replacement RSUs pursuant to the Offer will be treated as a non-taxable exchange. Accordingly, if you exchange Eligible Awards for Replacement RSUs in the Offer, neither you nor the Company should be required to recognize income for U.S. federal income tax purposes at the time of the Equity Exchange. So that you are able to compare the U.S. federal tax consequences that will be applicable to Replacement RSUs going forward to those applicable to your existing Eligible Awards, following are summaries of the tax treatment of each type of award.

Replacement RSUs. Neither the grant of Replacement RSUs in exchange for Eligible Awards nor the vesting of Replacement RSUs should constitute a taxable event for you (or result in a deduction for us); however, you generally will recognize taxable compensation income equal to the fair market value of the shares delivered in respect of vested Replacement RSUs at the time of delivery of the shares. Income that you recognize upon share delivery will be considered wages and will be subject to ordinary income tax and employment tax (including social security contribution) withholding at the time of share delivery. In addition, we will be entitled to a corresponding deduction equal to the fair market value of such shares at the time of share delivery, but the deduction may be limited by Section 280G and/or 162(m) of the Code in the case of compensation payable to certain Eligible Employees designated in those Sections. Your subsequent disposition of shares obtained in respect of vested Replacement RSUs should be treated as a long- or short-term capital gain or capital loss to you (and should not entitle us to a tax deduction), depending on the ultimate sale price of the shares and the duration for which you hold them. We may elect to satisfy our tax withholding obligations by deducting from the shares of Common Stock that would otherwise be issued in settlement of Replacement RSUs a number of shares with an aggregate fair market value that would satisfy the withholding amount due. Alternatively, we may require you to satisfy the applicable tax withholding requirements through payroll withholding, by withholding proceeds received upon sale of the underlying Common Stock through a sell-to-cover arrangement, by remitting to us cash or cash equivalents, through a combination of the foregoing or otherwise.

Eligible Options. All of the Eligible Options constitute “nonstatutory stock options” for U.S. federal tax purposes. Neither the grant nor vesting of an Eligible Option should constitute a taxable event for you (or result in a deduction for us), as long as the Eligible Option has an exercise price equal to or exceeding the fair market value of a share of our Common Stock on the date of grant (as all Eligible Options do). Upon exercise of an Eligible Option, you will recognize ordinary compensation income in an amount equal to the excess of the aggregate fair market value of the shares acquired upon exercise minus the aggregate applicable exercise price, and we will be entitled to a deduction on a corresponding amount at that time, but the deduction may be limited by Section 280G of the Code in the case of compensation payable to certain Eligible Employees designated in that Section. If you were an employee at the time of the grant of the Option, any income recognized upon exercise of an Eligible Option generally will constitute wages for which income and employment tax (including social security contribution) withholding will be required. Upon your disposition of shares obtained upon exercise of an Eligible Option, appreciation or depreciation in the fair market value of such shares should be treated as a long- or short-term capital gain or capital loss to you depending on the ultimate sale price of the

shares and the duration for which they are held. We may elect to satisfy our tax withholding obligations by deducting from the shares of Common Stock that would otherwise be issued in settlement of an Eligible Option a number of shares with an aggregate fair market value that would satisfy the withholding amount due. Alternatively, we may require you to satisfy the applicable tax withholding requirements through payroll withholding, by withholding proceeds received upon sale of the underlying Common Stock through a sell-to-cover arrangement, by remitting to us cash or cash equivalents, through a combination of the foregoing or otherwise.

Eligible SARs. Neither the grant nor vesting of an Eligible SAR should constitute a taxable event for you (or result in a deduction for us). Upon exercise of an Eligible SAR, you will recognize ordinary compensation income in an amount equal to the fair market value of the shares received. We generally will be entitled to a tax deduction equal to the amount of ordinary income recognized by you when you exercise Eligible SARs, but the deduction may be limited by Section 280G of the Code in the case of compensation payable to certain Eligible Employees designated in that Section. Upon your disposition of shares obtained upon exercise of an Eligible SAR, you generally will have a taxable capital gain (or loss). Upon your disposition of shares obtained upon exercise of an Eligible SAR, appreciation or depreciation in the fair market value of such shares should be treated as a long- or short-term capital gain or capital loss to you depending on the ultimate sale price of the shares and the duration for which they are held. We may elect to satisfy our tax withholding obligations by deducting from the shares of Common Stock that would otherwise be issued in settlement of an Eligible SAR a number of shares with an aggregate fair market value that would satisfy the withholding amount due. Alternatively, we may require you to satisfy the applicable tax withholding requirements through payroll withholding, by withholding proceeds received upon sale of the underlying Common Stock through a sell-to-cover arrangement, by remitting to us cash or cash equivalents, through a combination of the foregoing or otherwise.

14. EXTENSION OF THE OFFER; TERMINATION; AMENDMENT

We may at any time, and from time to time, extend the period of time during which the Offer is open and delay accepting any Eligible Awards tendered for exchange by announcing the extension and giving written notice of the extension to the Eligible Award holders.

Prior to the Expiration Date, we may postpone accepting and canceling any Eligible Awards or terminate or amend the Offer if any of the conditions specified in Section 6 occurs. In order to postpone accepting or canceling, we must announce the postponement and give written notice of the postponement to holders of Eligible Awards. Our right to delay accepting and canceling Eligible Awards may be limited by Rule 13e-4(f)(5) under the Exchange Act, which requires that we pay the consideration offered or return the surrendered equity awards promptly after we terminate or withdraw the Offer.

As long as we comply with any applicable laws, we may amend the Offer in any way, including decreasing or increasing the consideration offered in the Offer to Eligible Employees or by decreasing or increasing the number of Eligible Awards to be exchanged or surrendered.

We may amend the Offer at any time by announcing an amendment. If we extend the length of time during which the Offer is open, notice of the amendment must be issued no later than 6:00 a.m., Pacific Standard Time, on the next business day after the last previously scheduled or announced Expiration Date. Any announcement relating to the Offer will be sent promptly to Eligible Employees in a manner reasonably designed to inform Eligible Employees of the change.

If we materially change the terms of the Offer or the information about the Offer or if we waive a material condition of the Offer, we may extend the Offer to the extent required by Rules 13e-4(d)(2) and 13e-4(e)(3) under the Exchange Act. Under these rules, the minimum period an Offer must remain open following material changes in the terms of the Offer or information about the Offer, other than a change in price or a change in percentage of securities sought, will depend on the facts and circumstances. We will publish a notice if we decide to take any of the following actions:

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- increase or decrease what we will give you in exchange for your Eligible Awards; or
- increase or decrease the number of Eligible Awards to be exchanged.

If the Offer is scheduled to expire within ten business days from the date we notify you of such an increase or decrease, we intend to extend the Offer for a period of ten business days after the date the notice is published.

15. FEES AND EXPENSES

We will not pay any fees or commissions to any broker, dealer or other person for soliciting elections to exchange Eligible Awards pursuant to this Offer.

16. INFORMATION CONCERNING AMN HEALTHCARE SERVICES, INC.; FINANCIAL STATEMENTS

We are the nation's leading provider of comprehensive healthcare staffing and management services. As a leading provider of travel nurse and allied staffing services, locum tenens (temporary physician staffing) and physician permanent placement services, we recruit and place healthcare professionals on assignments of variable lengths and in permanent positions with clients throughout the United States, who range from acute-care hospitals and physician practice groups to other healthcare settings, including rehabilitation centers, dialysis clinics, pharmacies, home health service providers and ambulatory surgery centers. We also offer a managed services program in which we provide flexible, customized solutions for our clients to manage their multiple clinical vendors, and recruitment process outsourcing services, where we conduct our clients' recruitment for permanent clinical positions.

AMN Healthcare Services, Inc. was incorporated in the state of Delaware on November 10, 1997. On November 13, 2001, the Company completed an initial public offering and listed its Common Stock on the NYSE. The Company's mailing address and executive offices are located at 12400 High Bluff Drive, Suite 100, San Diego, CA 92130. The Company's phone number is (866) 871-8519.

The financial information included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2008, and our Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2009, June 30, 2009 and September 30, 2009 are incorporated herein by reference. Schedule B of this Offer to Exchange is a summary of our financial statements from our Annual Report on Form 10-K for the fiscal year ended December 31, 2008 and our Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2009. The summary of our financial statements should be read in conjunction with the Company's condensed consolidated financial statements as of June 30, 2009 and for the quarters ended June 30, 2009 and June 30, 2008 in the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2009, as well as the Company's consolidated financial statements and related notes thereto and management's discussion and analysis of financial condition and results of operations in the Company's Annual Report on Form 10-K for the year ended December 31, 2008, both of which are incorporated herein by reference. The Company's interim results are not necessarily indicative of results for the full fiscal year, and the Company's historical results are not necessarily indicative of the results to be expected in any future period. More complete financial information may be obtained by accessing our public filings with the SEC by following the instructions in Section 17 of this Offer to Exchange.

We had a book value of \$5.26 per share as of September 30, 2009 (calculated using the book value of total stockholders' equity of \$171,520,000 as of September 30, 2009, divided by the number of outstanding shares of 32,630,721 as of September 30, 2009).

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The following table sets forth our ratio of earnings to fixed charges for the periods specified:

Ratio of Earnings to Fixed Charges

	<u>Nine Months Ended</u> <u>September 30, 2009</u>	<u>Year Ended</u> <u>December 31, 2008</u>	<u>December 31, 2007</u>
Ratio of Earnings to Fixed Charges	(24.1)	6.7	5.8

17. ADDITIONAL INFORMATION

With respect to the Offer, we have filed a Tender Offer Statement on Schedule TO with the SEC. This Offer to Exchange does not contain all of the information contained in the Schedule TO and the exhibits to the Schedule TO. We recommend that you review the Schedule TO, including its exhibits, before making a decision on whether to tender your Eligible Awards.

We also recommend that you review the following materials that we have filed with the SEC before making a decision on whether to exchange your Eligible Awards:

- (a) Our Annual Report on Form 10-K for the fiscal year ended December 31, 2008, filed with the SEC on March 2, 2009.
- (b) Our Current Report on Form 8-K dated February 17, 2009, filed with the SEC on February 17, 2009.
- (c) Our Current Report on Form 8-K dated February 17, 2009, filed with the SEC on February 18, 2009.
- (d) Our Current Report on Form 8-K dated February 24, 2009, filed with the SEC on February 25, 2009.
- (e) Our Definitive Proxy Statement for Annual Meeting of Stockholders on Schedule 14A, filed with the SEC on March 3, 2009.
- (f) Our Current Report on Form 8-K dated March 18, 2009, filed with the SEC on March 18, 2009.
- (g) Our Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2009, filed with the SEC on May 11, 2009.
- (h) Our Current Report on Form 8-K dated July 15, 2009, filed with the SEC on July 15, 2009.
- (i) Our Current Report on Form 8-K dated July 14, 2009, filed with the SEC on July 17, 2009 (solely with respect to Item 2.05).
- (j) Our Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2009, filed with the SEC on August 7, 2009.
- (k) Our Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2009, filed with the SEC on October 30, 2009.
- (l) Our Definitive Proxy Statement for Special Meeting of Stockholders on Schedule 14A, filed with the SEC on November 5, 2009.
- (m) The description of our Common Stock set forth in our Registration Statement on Form 8-A filed pursuant to Section 12 of the Exchange Act on October 26, 2001, and any amendment or report filed for the purpose of updating any such description.

These filings and our other SEC filings may be examined, and copies may be obtained, at the SEC's Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549, or on the Internet at www.sec.gov. You may obtain information on the operation of the Public Reference Room by calling the SEC at 800-732-0330.

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Our common stock is quoted on the NYSE under the symbol “AHS” and our SEC filings can also be read at the following NYSE address:

New York Stock Exchange
11 Wall Street
New York, New York 10005

We will also provide without charge to each Eligible Employee, upon his or her written or oral request, a copy of this Offer to Exchange and the related Election Form and any or all of the documents to which we have referred you, other than exhibits to those documents (unless the exhibits are specifically incorporated by reference into the documents). Requests should be directed to:

AMN Healthcare Services, Inc.
12400 High Bluff Drive, Suite 100
San Diego, CA 92130
Attn: Legal Department

or by telephoning us at (858) 509-3588, or by e-mail at equityadministrator@amnhealthcare.com.

As you read the documents listed in this Section 17, you may find some inconsistencies in information from one document to another. Should you find inconsistencies between the documents, or between a document and this Offer to Exchange, you should rely on the statements made in the most recent document.

The information about us contained in this Offer to Exchange should be read together with the information contained in the documents to which we have referred you.

18. MISCELLANEOUS

This Offer to Exchange and our SEC reports referred to above include “forward-looking statements.” The safe harbor provided in the Private Securities Litigation Reform Act of 1995, by its terms, does not apply to statements made in connection with this Offer. We based these forward-looking statements on our current expectations and projections about future events. Our actual results could differ materially from those discussed in, or implied by, these forward-looking statements. Forward-looking statements are identified by words such as “believe,” “anticipate,” “expect,” “intend,” “plan,” “will,” “may” and other similar expressions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements. Any or all of the forward-looking statements included in this Offer and our SEC reports or other public statements made by us are not guarantees of future performance and may turn out to be inaccurate. This can occur as a result of incorrect assumptions or as a consequence of known or unknown risks and uncertainties. These factors include, among other things, the risk factors and other cautionary statements included in our most recently filed report on Form 10-K. Forward-looking statements speak only as of the date they are made.

We are not aware of any jurisdiction where the making of this Offer is not in compliance with applicable law. If we become aware of any jurisdiction where the making of this Offer is not in compliance with any valid applicable law, we will make a good faith effort to comply with that law.

Our Board of Directors recognizes that the decision to accept or reject the Offer is an individual one that should be based on a variety of factors and you should consult your personal advisors if you have questions about your financial or tax situation. The information about the Offer from us is limited to this Offer to Exchange and the related Election Form, which may be amended from time to time.

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We have not authorized any person to make any recommendation on our behalf as to whether or not you should tender your Eligible Awards pursuant to the Offer. We have not authorized anyone to give you any information or to make any representation in connection with this Offer other than the information and representations contained in this Offer to Exchange and the related Election Form. If anyone makes any recommendation or representation to you or gives you any information other than the information and representations contained in this Offer to Exchange and the related Election Form, you must not rely upon that recommendation, information or representation as having been authorized by us.

**SCHEDULE A
INFORMATION ABOUT
OUR DIRECTORS AND EXECUTIVE OFFICERS**

Our directors and executive officers are set forth in the following table:

<u>Name</u>	<u>Positions and Offices Held</u>
Bary Bailey	Chief Financial Officer
R. Jeffrey Harris	Director
Ralph Henderson	President, Nurse and Allied Staffing
Denise Jackson	Senior Vice President, General Counsel and Secretary
Michael M.E. Johns, M.D.	Director
Hala G. Moddelmog	Director
Susan Nowakowski	Director, President and Chief Executive Officer
Andrew M. Stern	Director
Paul E. Weaver	Director
Douglas D. Wheat	Chairman of the Board of Directors

The business address of each director and executive officer set forth above is: c/o AMN Healthcare Services, Inc., Attn.: Legal Department, 12400 High Bluff Drive, Suite 100, San Diego, CA 92130 and the business telephone number of each director and executive officer is (866) 871-8519.

SCHEDULE B
SUMMARY FINANCIAL INFORMATION OF
AMN HEALTHCARE SERVICES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)

	Three Months Ended		Year Ended	
	September 30, 2009 (unaudited)	September 30, 2008 (unaudited)	December 31, 2008 (audited)	December 31, 2007 (audited)
Revenue	\$ 166,357	\$ 315,014	\$ 1,217,200	\$ 1,164,022
Gross profit	45,608	81,060	316,989	303,165
Income (loss) from operations	(1,020)	17,030	71,894	73,241
Income tax expense (benefit)	(1,088)	4,985	26,847	24,403
Net income (loss)	(1,995)	9,495	34,357	36,381
Net income (loss) per common share:				
Basic	(0.06)	0.29	1.03	1.06
Diluted	(0.06)	0.28	1.02	1.04
Weighted average common shares outstanding:				
Basic	32,630	33,269	33,375	34,377
Diluted	32,630	33,894	33,811	34,880

CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)

	September 30, 2009 (unaudited)	December 31, 2008 (audited)	December 31, 2007 (audited)
Total current assets	148,474	229,827	232,983
Total assets	378,948	642,817	623,658
Total current liabilities	79,111	141,272	130,883
Total liabilities	207,428	358,684	357,458
Total stockholders' equity	171,520	284,133	266,200

FORM OF MEETING INVITE TO ELIGIBLE EMPLOYEES

From: Denise L. Jackson
To: AMN Eligible Employees
Sent: Friday, November 6, 2009
Subject: Equity Exchange Information Meeting

Dear AMN Equity Grantees,

We are pleased to inform you of the filing of a Tender Offer for certain of your outstanding Stock Options and Stock Appreciation Rights that, at your election and discretion, would allow you to exchange these Options and SARS for Restricted Stock Units, on terms and conditions set forth in the Tender Offer, including the approval of the Equity Exchange by AMN's shareholders at a Special Meeting of Shareholders on December 9, 2009. The Tender Offer materials are being sent to your homes and should arrive early next week. In addition, you may click on this link to review the Tender Offer.

We encourage you to read the Offering Materials prior to attending this meeting. The Offering Materials contain important information about the Equity Exchange and they will help you better prepare for the Q&A session during the meeting.

There are a limited number of dial in's for this meeting so it is strongly encouraged that if you are physically in San Diego or Irving that you gather in the scheduled conference rooms for this meeting.

Details are as follows:

San Diego – Auditorium

Irving – Statesman Training Room 110

Remote – Go-To Meeting (details will be added for the invite)

This communication does not constitute an offer to exchange, or a solicitation of an offer to exchange, eligible awards nor is it a substitute for the Tender Offer Statement on Schedule TO or the Offer to Exchange included therein (including the Election Form and related documents) (collectively, as amended from time to time, the "Offering Materials") filed by the Company with the SEC. The Equity Exchange is made only through the Offering Materials. Persons who may be eligible to participate in the Equity Exchange should read the Offering Materials carefully because they contain important information about the Equity Exchange, including the various terms and conditions of the Equity Exchange. The Company's stockholders and equity award holders may obtain the written materials described above and other documents filed by the Company with the SEC free of charge from the SEC's website at www.sec.gov.

Denise L. Jackson
Senior Vice President and General Counsel
AMN Healthcare (NYSE:AHS)

**AMN HEALTHCARE SERVICES, INC.
OFFER TO EXCHANGE CERTAIN OUTSTANDING OPTIONS
AND STOCK APPRECIATION RIGHTS
FOR REPLACEMENT RESTRICTED STOCK UNITS**

ELECTION FORM

I have received AMN Healthcare Services, Inc.'s (the "Company") Offer to Exchange Certain Outstanding Options and Stock Appreciation Rights for Replacement Restricted Stock Units, dated November 6, 2009 (the "Offer"), made available to employees of the Company, excluding its executive officers and directors, holding (i) certain stock options ("Options") granted under the AMN Healthcare Services, Inc. Stock Option Plan (the "Option Plan") with exercise prices greater than or equal to \$14.50 per share and that were granted under the Option Plan before September 30, 2005 (the "Eligible Options"), and (ii) certain stock appreciation rights ("SARs") granted under the AMN Healthcare Equity Plan, as amended and restated (the "Equity Plan"), with exercise prices greater than or equal to \$14.50 per share and that were granted under the Equity Plan before September 30, 2008 (the "Eligible SARs" and, together with the Eligible Options, the "Eligible Awards"). Defined terms not explicitly defined herein shall have the same definitions as in the Offer.

Pursuant to the terms of the Offer, I elect to have one or more Eligible Awards held by me, as specified below, cancelled in exchange for a right to receive a reduced number of restricted stock units (the "Replacement RSUs") at an exchange ratio set forth in Section 8 of the Offer. I hereby agree that, unless I withdraw or change my election before **5:00 p.m. Pacific Standard Time on December 10, 2009** (or a later Expiration Date if the Company extends the Offer), my election will be irrevocable, and, if accepted by the Company, such surrendered Eligible Awards will be cancelled in their entirety on December 10, 2009 (or a later Expiration Date if the Company extends the Offer). I understand that my right to receive Replacement RSUs in exchange for Eligible Awards is subject to my continuous employment as more fully described in the Offer. **I ALSO UNDERSTAND THAT ALL REPLACEMENT RSUs GRANTED IN EXCHANGE FOR ELIGIBLE AWARDS WILL BE SUBJECT TO VESTING.** As described in the Offer, none of the Replacement RSUs will be vested on the date of grant. Replacement RSUs will be subject to a new one year minimum vesting period. To the extent the vesting period of a portion of an Eligible Award exceeds one year, the Replacement RSU will maintain the original vesting term of the Option or SAR for a reciprocal portion of the Replacement RSU.

To view a list of all your outstanding Options and SARs, you may log in to your account with EASi at <http://easiadmin.com/site/index.aspx>.

You cannot exchange part of any particular grant of an Eligible Award and keep the balance; you must exchange all non-forfeited, unexercised Options or SARs in a particular grant of an Eligible Award that you tender in response to the Offer.

I HEREBY ELECT TO TENDER AND AUTHORIZE THE COMPANY TO CANCEL, upon the terms and conditions stated in the Offer, the following Eligible Award(s):

<u>Option Grant Date</u>	<u>Option Exercise Price</u>	<u>Number of Options Outstanding</u>
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<u>SAR Grant Date</u>	<u>SAR Exercise Price</u>	<u>Number of SARs Outstanding</u>
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Check this box if this Election Form is being submitted to replace a previously submitted Election Form or Notice of Withdrawal.

I acknowledge that I will have no right to exercise all or any part of the Eligible Award(s) tendered herein after the date of this election (unless I withdraw or change this election in accordance with the terms of the Offer on or prior to the Expiration Date), and that such Eligible Awards will be cancelled as of December 10, 2009 (or a later Expiration Date if the Company extends the Offer). I acknowledge that I will have no further rights with regard to the Eligible Award(s) tendered herein under any circumstances once cancelled.

I further acknowledge and agree that neither the ability to participate in the Offer nor actual participation in the Offer shall be construed as a right to continued employment with the Company or its subsidiaries. I agree that the Company has made no representations or warranties regarding the Offer or the future pricing of the Company's stock, and that my participation in the Offer is purely voluntary and entered into at my own discretion.

Equity Award Holder Signature

Equity Award Holder E-mail Address

Equity Award Holder Name (Please print)

Date and Time

Spousal Consent

The undersigned spouse of the Eligible Employee who has executed this Election Form above has read and hereby approves the submission of this Election Form and further agrees that any community property interest of the undersigned will similarly be bound by this Election Form. The undersigned appoints the Eligible Employee who has executed this Election Form above as his/her attorney-in-fact with respect to any amendment or exercise of any rights under this Election Form.

Spouse's Signature

Spouse's Name (Please print)

Date

Your failure to provide your spouse's signature constitutes your representation and warranty to the Company that you are not married. You should consult your own personal outside advisors if you have questions about the Spousal Consent below.

RETURN THIS ELECTION FORM NO LATER THAN 5:00 P.M. PACIFIC STANDARD TIME ON DECEMBER 10, 2009 UNLESS THE OFFER IS EXTENDED BY ANY ONE OF THE FOLLOWING METHODS:

- By mail to AMN Healthcare Services, Attn: Legal Department, 12400 High Bluff Drive, Suite 100, San Diego, CA 92130; or
- By inter-office or hand mail to Legal Department; or
- By scanning a signed copy and e-mailing to equityadministrator@amnhealthcare.com.

IMPORTANT ADDITIONAL TERMS AND CONDITIONS DESCRIBED IN THE "OFFER TO EXCHANGE" APPLY TO THIS PROPOSED EQUITY EXCHANGE. YOU SHOULD CAREFULLY REVIEW THESE MATERIALS IN THEIR ENTIRETY AND DISCUSS THEM WITH YOUR TAX, LEGAL AND INVESTMENT ADVISORS AS APPROPRIATE PRIOR TO ELECTING TO PARTICIPATE IN THIS OFFER. AFTER THE EXPIRATION DATE, YOUR ELECTION TO PARTICIPATE IN THE OFFER WILL BE IRREVOCABLE.

INSTRUCTIONS TO THE ELECTION FORM

1. DELIVERY OF ELECTION FORM

A properly completed and executed Election Form should be sent to the Company by any one of the following methods no later than 5:00 p.m. Pacific Standard Time on December 10, 2009, unless this Offer is extended:

- By mail to AMN Healthcare Services, Attn: Legal Department, 12400 High Bluff Drive, Suite 100, San Diego, CA 92130; or
- By inter-office or hand mail to Legal Department; or
- By scanning a signed copy and e-mailing to equityadministrator@amnhealthcare.com.

PROPERLY COMPLETED AND EXECUTED ELECTION FORMS MUST BE RECEIVED NO LATER THAN THE EXPIRATION DATE. THE METHOD BY WHICH YOU DELIVER ANY REQUIRED DOCUMENTS IS AT YOUR OPTION AND RISK, AND THE DELIVERY WILL BE DEEMED MADE ONLY WHEN ACTUALLY RECEIVED BY THE COMPANY. YOU SHOULD ALLOW SUFFICIENT TIME TO ENSURE TIMELY DELIVERY.

2. WITHDRAWAL

You may withdraw this Election Form at any time before 5:00 p.m. Pacific Standard Time on December 10, 2009. If the Company extends the Offer beyond that time, you may withdraw at any time until the extended Expiration Date. To cancel your election and reject the Offer with respect to all of your Eligible Awards, you must deliver a Notice of Withdrawal using one of the methods described in Section 1 above, before 5:00 p.m. Pacific Standard Time on the Expiration Date.

3. CHANGE OF ELECTION

You may change your mind about which Eligible Awards you would like to exchange at any time before the Expiration Date. If the Company extends the Offer beyond that time, you may change your election regarding particular Eligible Awards you elected to exchange at any time until the extended Expiration Date. To change your existing election to cover additional or fewer Eligible Awards, you must submit a new Election Form in accordance with the procedures in Section 1 above. We must receive the new Election Form before the Expiration Date. You must indicate on the new Election Form that it replaces a previously submitted Election Form in the check box provided on the form. Upon receipt by the Company of such a new, properly filled out, signed and dated Election Form, any previously submitted Election Form will be disregarded in its entirety and will be considered replaced in full by the new Election Form. The Company will not accept any alternative, conditional or contingent exchanges. Although it is the Company's intent to send you a confirmation of receipt of this Election Form, by signing this Election Form, you waive any right to receive any notice of the receipt of the election to exchange your Eligible Awards, except as provided in the Offer. Any confirmation of receipt sent to you will merely be a notification that the Company has received your Election Form and does not mean that your Eligible Awards have been cancelled. Your Eligible Awards that are accepted for exchange will not be cancelled until the Expiration Date.

4. INADEQUATE SPACE

If the space provided in this Election Form is inadequate, the information requested by the table on this Election Form regarding the Eligible Awards to be tendered should be provided on a separate schedule attached to this Election Form. You must print your name on, and sign, any attached schedules. Any attached schedules should be delivered with this Election Form, and will thereby be considered part of this Election Form.

5. EXCHANGE OF ELIGIBLE AWARDS

If you intend to exchange Eligible Options through the Offer, you must complete the table on this Election Form by providing the Option grant date, exercise price, and the total number of Options outstanding for each Eligible Award that you intend to cancel and exchange for a reduced number of Replacement RSUs. Similarly, if you intend to exchange Eligible SARs through the Offer, you must complete the table on this Election Form by providing the SAR grant date, exercise price, and the total number of SARs outstanding for each Eligible Award that you intend to cancel and exchange for a reduced number of Replacement RSUs. The information needed to complete this table is available by accessing your personal account at <http://easiadmin.com/site/index.aspx>.

You may exchange any or all of your Eligible Awards. However, you cannot exchange part of any particular grant of an Eligible Award and keep the balance; you must exchange all unexercised, non-forfeited Options or SARs in a particular grant of an Eligible Award that you tender in response to the Offer. The Company will exchange Replacement RSUs for Eligible Awards surrendered according to the exchange ratios set forth in Section 8 of the Offer, subject to rounding as set forth therein.

6. OTHER INFORMATION ON THIS ELECTION FORM

In addition to the signatures on this Election Form, you must print your name and indicate the date and time at which you signed. You must also include your e-mail address.

In order to elect to tender your Eligible Awards your spouse must execute the Spousal Consent above. Under the Consent, your spouse agrees to be bound, and any property interest shall similarly be bound by this Election Form.

Your failure to provide your spouse's signature constitutes your representation and warrant to the Company that you are not married. You should consult your own personal outside advisors if you have questions about the Spousal Consent below.

7. REQUESTS FOR ASSISTANCE OR ADDITIONAL COPIES

Any questions or requests for assistance, as well as requests for additional copies of the Offer or this Election Form should be directed to AMN Healthcare Services, Attn: Legal Department, 12400 High Bluff Drive, Suite 100, San Diego, CA 92130, telephone number (858) 509-3588, email equityadministrator@amnhealthcare.com. Please note that the Company cannot and will not advise any holders of Eligible Awards as to their decision to participate or not to participate in the Offer.

E-MAIL CONFIRMING RECEIPT OF ELECTION FORM

This e-mail confirms our receipt of your Election Form which sets forth your election to exchange one or more of your Eligible Awards pursuant to AMN Healthcare Services, Inc.'s (the "Company") Offer to Exchange Certain Outstanding Options and Stock Appreciation Rights for Replacement Restricted Stock Units, dated November 6, 2009 (the "**Offer**"). This e-mail does not serve as an acceptance by the Company of the Eligible Awards designated on your Election Form for exchange. The procedure for acceptance of Eligible Awards for exchange is described in the Offer previously made available to you. Defined terms not explicitly defined herein shall have the same definitions as in the Offer.

Your election to exchange your Eligible Awards may be withdrawn or changed at any time prior to **5:00 p.m. Pacific Standard Time on December 10, 2009**, the Expiration Date of the Offer, or if the Company extends the Offer, before 5:00 p.m. Pacific Standard Time on the extended Expiration Date. Withdrawals must be submitted in accordance with the instructions set forth in the Notice of Withdrawal. Changes to your election must be submitted in accordance with the instructions set forth in the Election Form.

You may e-mail questions about the Offer to equityadministrator@amnhealthcare.com or call (858) 509-3588.

**AMN HEALTHCARE SERVICES, INC.
OFFER TO EXCHANGE CERTAIN OUTSTANDING OPTIONS
AND STOCK APPRECIATION RIGHTS
FOR REPLACEMENT RESTRICTED STOCK UNITS**

NOTICE OF WITHDRAWAL FORM

To AMN Healthcare Services, Inc.:

I previously signed, dated and returned an Election Form in which I elected to accept AMN Healthcare Services, Inc.'s (the "Company") Offer to Exchange Certain Outstanding Options and Stock Appreciation Rights for Replacement Restricted Stock Units, dated November 6, 2009 (the "Offer"). Defined terms not explicitly defined herein shall have the same definitions as in the Offer.

I now wish to change my previous election and reject the Offer. ***I understand that by signing this Notice and delivering it in accordance with the instructions set forth in Section 1 below, I will be withdrawing my previous acceptance of the Offer and rejecting the Offer.***

I understand that in order to reject the Offer, I must sign, date and deliver this Notice as provided in the attached instructions before **5:00 p.m. Pacific Standard Time on December 10, 2009**, or if the Company extends the Offer, before 5:00 p.m. Pacific Standard Time on the extended Expiration Date.

By rejecting the Offer, I understand that I will not receive any Replacement RSUs, and I will keep my Eligible Awards in accordance with their existing terms. These options will continue to be governed by the Option Plan or Equity Plan, as applicable, and the existing award agreements between the Company and me.

I understand that I may change this election, and once again accept the Offer, by delivering a new Election Form in accordance with its instructions prior to **5:00 p.m. Pacific Standard Time on December 10, 2009**, or, if the Company extends the Offer, before 5:00 p.m. Pacific Standard Time on the extended Expiration Date.

I have completed and signed the following exactly as my name appears on my original Election Form.

I do not accept the Offer.

Equity Award Holder Signature

Equity Award Holder E-mail Address

Equity Award Holder Name (Please print)

Date and Time

RETURN THIS NOTICE OF WITHDRAWAL NO LATER THAN 5:00 P.M. PACIFIC STANDARD TIME ON DECEMBER 10, 2009 UNLESS THE OFFER IS EXTENDED BY ANY ONE OF THE FOLLOWING METHODS:

- By mail to AMN Healthcare Services, Attn: Legal Department, 12400 High Bluff Drive, Suite 100, San Diego, CA 92130; or
- By inter-office or hand mail to Legal Department; or
- By scanning a signed copy and e-mailing to equityadministrator@amnhealthcare.com.

IMPORTANT ADDITIONAL TERMS AND CONDITIONS DESCRIBED IN THE “OFFER TO EXCHANGE” APPLY TO THIS PROPOSED EQUITY EXCHANGE. YOU SHOULD CAREFULLY REVIEW THESE MATERIALS IN THEIR ENTIRETY AND DISCUSS THEM WITH YOUR TAX, LEGAL AND INVESTMENT ADVISORS AS APPROPRIATE PRIOR TO ELECTING TO PARTICIPATE IN THIS OFFER. AFTER THE EXPIRATION DATE, YOUR ELECTION TO PARTICIPATE IN THE OFFER WILL BE IRREVOCABLE.

INSTRUCTIONS TO THE NOTICE OF WITHDRAWAL

1. DELIVERY OF NOTICE OF WITHDRAWAL

A properly completed and executed Notice of Withdrawal should be sent to the Company by any one of the following methods no later than 5:00 p.m. Pacific Standard Time on December 10, 2009, unless this Offer is extended:

- By mail to AMN Healthcare Services, Attn: Legal Department, 12400 High Bluff Drive, Suite 100, San Diego, CA 92130; or
- By inter-office or hand mail to Legal Department; or
- By scanning a signed copy and e-mailing to equityadministrator@amnhealthcare.com.

PROPERLY COMPLETED AND EXECUTED NOTICE OF WITHDRAWAL FORMS MUST BE RECEIVED NO LATER THAN THE EXPIRATION DATE. THE METHOD BY WHICH YOU DELIVER ANY REQUIRED DOCUMENTS IS AT YOUR OPTION AND RISK, AND THE DELIVERY WILL BE DEEMED MADE ONLY WHEN ACTUALLY RECEIVED BY THE COMPANY. YOU SHOULD ALLOW SUFFICIENT TIME TO ENSURE TIMELY DELIVERY.

Although by submitting a Notice of Withdrawal of your election, you have withdrawn your election to exchange your Eligible Awards, you may change your mind and re-accept the Offer at any time prior to 5:00 p.m. Pacific Standard Time on the Expiration Date. If the Company extends the Expiration Date, you may elect to accept the Offer at any time until 5:00 p.m. Pacific Standard Time on the new Expiration Date. To change your election, you must deliver a new signed and dated Election Form in accordance with its instructions to the Company before the Expiration Date. Your options will not be properly exchanged for purposes of the Offer unless you again elect to accept the Offer before the Expiration Date by delivery of the new Election Form following the procedures described in the Instructions to the Election Form.

IF YOU DO NOT WISH TO WITHDRAW YOUR ELECTION IN ITS ENTIRETY, YOU SHOULD NOT FILL OUT THIS NOTICE OF WITHDRAWAL. IF YOU WISH TO CHANGE YOUR ELECTION WITH RESPECT ONLY TO PARTICULAR ELIGIBLE AWARDS, THEN YOU SHOULD COMPLETE AND DELIVER A NEW ELECTION FORM INSTEAD.

As noted in the Offer, you may select Eligible Awards to be exchanged for a reduced number of Replacement RSUs. The Company will not accept partial exchanges of individual Eligible Awards. You cannot exchange part of any particular Eligible Award and keep the balance; you must exchange all non-forfeited, unexercised Options or SARs that are subject to each Eligible Award that you tender in response to the Offer. You may change your mind about which Eligible Awards you would like to exchange at any time before 5:00 p.m. Pacific Standard Time on the Expiration Date. If the Company extends the Offer beyond that time, you may change your election regarding particular Eligible Awards you elected to exchange at any time until 5:00 p.m. Pacific Standard Time on the new Expiration Date. To change your election regarding any particular Eligible Awards you previously elected to exchange while continuing to elect to participate in the Offer, you must deliver a signed and dated new Election Form, with the required information, following the procedures described in its instructions. You must indicate on the new Election Form that it replaces a previously submitted Election Form in the check box provided on the form. Upon the receipt of such a new, properly filled out, signed and dated Election Form, any previously submitted Election Form will be disregarded and will be considered replaced in full by the new Election Form.

2. OTHER INFORMATION ON THIS NOTICE OF WITHDRAWAL

In addition to signing this Notice of Withdrawal, you must print your name and indicate the date and time at which you signed. You must also include your e-mail address.

3. REQUESTS FOR ASSISTANCE OR ADDITIONAL COPIES

Any questions or requests for assistance, as well as requests for additional copies of the Offer or this Election Form should be directed to AMN Healthcare Services, Attn: Legal Department, 12400 High Bluff Drive, Suite 100, San Diego, CA 92130, telephone number (858) 509-3588, e-mail equityadministrator@amnhealthcare.com. Please note that the Company cannot and will not advise any holders of Eligible Awards as to their decision to participate or not to participate in the Offer.

E-MAIL CONFIRMING RECEIPT OF NOTICE OF WITHDRAWAL FORM

This e-mail confirms our receipt of your Notice of Withdrawal rejecting AMN Healthcare Services, Inc.'s (the "Company") Offer to Exchange Certain Outstanding Options and Stock Appreciation Rights for Replacement Restricted Stock Units, dated November 6, 2009 (the "Offer"), and nullifying your previously submitted Election Form. **Please note that the Notice of Withdrawal completely withdraws you from participation in the Offer and cannot be used to make changes to your previously submitted Election Form other than complete withdrawal from participation in the Offer. If you would like to change your election with respect to particular Eligible Awards only, you must submit a new Election Form with respect to the Eligible Awards that you would like to tender in the Offer** at any time prior to **5:00 p.m. Pacific Standard Time on December 10, 2009**, or if the Company extends the Offer, before 5 p.m. Pacific Standard Time on the extended Expiration Date. Election Forms must be completed according to the instructions set forth therein. Defined terms not explicitly defined herein shall have the same definitions as in the Offer.

You may e-mail questions about the Offer to equityadministrator@amnhealthcare.com or call (858) 509-3588. Please note that the Company cannot and will not advise any holders of Eligible Awards as to their decision to participate or not to participate in the Offer.

AMN HEALTHCARE SERVICES, INC.
OFFER TO EXCHANGE CERTAIN OUTSTANDING OPTIONS
AND STOCK APPRECIATION RIGHTS
FOR REPLACEMENT RESTRICTED STOCK UNITS
CONFIRMATION OF GRANT OF REPLACEMENT RSUs

Employee Name:

You recently elected to participate in the AMN Healthcare Services, Inc. (the "Company") Offer to Exchange Certain Outstanding Options and Stock Appreciation Rights for Replacement Restricted Stock Units, dated November 6, 2009 (the "Offer"). The tables below show your Eligible Options and/or Eligible SARs that were submitted by you for exchange in the Offer and the Replacement RSUs that have been granted to you in their place. Restricted stock unit agreements ("RSU Agreement") for the Replacement RSUs will be sent to you in a separate mailing. Defined terms not explicitly defined herein shall have the same definitions as in the Offer.

If you have any questions, please contact Equity Administrator by phone at (858) 509-3588 or by e-mail at equityadministrator@amnhealthcare.com.

Eligible Options Accepted for Exchange				Replacement RSUs		
Option Grant Date	Shares Subject to Option Exchange	Exercise Price (per share)	Exchange Ratio	RSU Grant Date *	Shares Subject to Replacement RSUs	Grant Date Fair Value

Eligible SARs Accepted for Exchange				Replacement RSUs		
SAR Grant Date	Shares Subject to SAR Exchange	Exercise Price (per share)	Exchange Ratio	RSU Grant Date	Shares Subject to Replacement RSUs	Grant Date Fair Value

* Replacement RSUs will be subject to a new one year minimum vesting period and the terms and conditions of the RSU Agreement. To the extent the vesting period of a portion of an Eligible Award exceeds one year, the Replacement RSU will maintain the original vesting term of the Option or SAR for a reciprocal portion of the Replacement RSU.

**AMN HEALTHCARE
EQUITY PLAN
RESTRICTED STOCK UNIT AGREEMENT**

THIS RESTRICTED STOCK UNIT AGREEMENT (the "Agreement"), made this [DATE] by and between AMN Healthcare Services, Inc. (the "Company"), a Delaware corporation, and [EMPLOYEE'S NAME] (the "Grantee").

WITNESSETH:

WHEREAS, the Company sponsors the AMN Healthcare Equity Plan (the "Plan"), and desires to afford the Grantee the opportunity to share in the appreciation of the Company's common stock, par value \$.01 per share ("Stock") thereunder, thereby strengthening the Grantee's commitment to the welfare of the Company and Affiliates and promoting an identity of interest between stockholders and the Grantee.

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the parties hereto hereby agree as follows:

1. Definitions.

The following definitions shall be applicable throughout the Agreement. Where defined terms are not defined herein, their meaning shall be that set forth in the Plan.

(a) "Affiliate" means (i) any entity that directly or indirectly is controlled by, or is under common control with the Company and (ii) any entity in which the Company has a significant equity interest, in either case as determined by the Committee.

(b) "Cause" means the Company or an Affiliate having "cause" to terminate a Grantee's employment or service, as defined in any existing employment, consulting or any other agreement between the Grantee and the Company or a Subsidiary or Affiliate, or, in the absence of such an employment, consulting or other agreement, upon (i) the determination by the Committee that the Grantee has ceased to perform his/her duties to the Company or an Affiliate (other than as a result of his/her incapacity due to physical or mental illness or injury), which failure amounts to an intentional and extended neglect of his/her duties to such party, (ii) the Committee's determination that the Grantee has engaged or is about to engage in conduct injurious to the Company or an Affiliate, (iii) the Grantee having been convicted of, or pleaded guilty or no contest to, a felony or a crime involving moral turpitude or (iv) the failure of the Grantee to follow the lawful instructions of the Board or Grantee's direct superiors; provided, however, that in the instances of clauses (i), (ii) and (iv), the Company or Affiliate, as applicable, must give the Grantee twenty (20) days' prior written notice of the defaults constituting "cause" hereunder.

(c) "Change in Control" shall, unless in the case of a particular RSU, the applicable Restricted Stock Unit Agreement states otherwise or contains a different definition of "Change in Control," be deemed to occur upon:

(i) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of a majority of the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors;

(ii) the dissolution or liquidation of the Company;

(iii) the sale of all or substantially all of the business or assets of the Company; or

(iv) the consummation of a merger, consolidation or similar form of corporate transaction involving the Company that requires the approval of the Company's stockholders, whether for such transaction or the issuance of securities in the transaction (a "Business Combination"), if immediately following such Business Combination: (x) a Person is or becomes the beneficial owner, directly or indirectly, of a majority of the combined voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation), or (y) the Company's shareholders cease to beneficially own, directly or indirectly, in substantially the same proportion as they owned the then outstanding voting securities immediately prior to the Business Combination, a majority of the combined voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation). "Surviving Corporation" shall mean the corporation resulting from a Business Combination, and "Parent Corporation" shall mean the ultimate parent corporation that directly or indirectly has beneficial ownership of a majority of the combined voting power of the then outstanding voting securities of the Surviving Corporation entitled to vote generally in the election of directors.

(d) "Committee" means the compensation committee of the Board or a similar committee performing the functions of the compensation committee and which is comprised of not less than two Non-Employee Directors who are independent.

(e) "Credited Service" shall mean the performance of Service on a substantially full time basis for a continuous twelve-month period. For this purpose, substantially full time basis shall mean that the employee or consultant provides regular and recurring services to the Company of at least 32 hours each week. The taking of approved Paid Time Off or legally mandated leave, such as FMLA, does not interrupt this period of Credited Service.

(f) "Grant Date" means [DATE] which is the date specified in the authorization of this RSU grant.

(g) "Grantee" means an individual who has been selected by the Committee to participate in the Plan and to receive a RSU grant pursuant to Section 2.

(h) "Restricted Stock Unit" or "RSU" means an award granted under Section 2.

(i) "Service" shall mean the performance of services for the Company (or any Affiliate) by a person in the capacity of an officer or other employee or key person (including consultants).

2. Grant of Restricted Stock Units. Subject to the terms and conditions set forth herein, the Company hereby grants to the Grantee an aggregate of [XXX] Restricted Stock Units ("RSUs").

3. Vesting Schedule. No RSUs may be settled until they shall have vested. Except as otherwise set forth in this Agreement or in the Plan, the RSUs will vest on and after the first anniversary of the Grant Date and the Grantee's provision of one period of Credited Service.

4. Settlement of RSUs.

(a) Each vested RSU entitles the Grantee to receive one share of Stock on the "Settlement Date" which shall be the vesting date for such RSU.

(b) Shares of Stock underlying the RSUs shall be issued and delivered to the Grantee in accordance with paragraph (a) and upon compliance to the satisfaction of the Committee with all requirements under applicable laws or regulations in connection with such issuance and with the requirements hereof and of the Plan. The determination of the Committee as to such compliance shall be final and binding on the Grantee. The shares of Stock delivered to the Grantee pursuant to this Section 4 shall be free and clear of all liens, fully paid and non-assessable.

(c) Until such time as shares of Stock have been issued to the Grantee pursuant to paragraph (b) above, and except as set forth in Section 5 below regarding dividend equivalents, the Grantee shall not have any rights as a holder of the shares of Stock underlying this Grant including but not limited to voting rights.

(d) The Grantee may be required to pay to the Company or any Affiliate, and the Company or any Affiliate shall have the right and is hereby authorized to withhold from any shares of Stock or other property deliverable under the RSU or from any compensation or other amounts owing to the Grantee the amount (in cash, Stock or other property) of any required tax withholding and payroll taxes in respect of an RSU vesting or settlement and to take such other action as may be necessary in the opinion of the Company to satisfy all obligations for the payment of such taxes.

(e) Without limiting the generality of clause (d) above, in the Committee's sole discretion the Grantee may satisfy, in whole or in part, the foregoing withholding liability (but no more than the minimum required withholding liability) by having the Company withhold from the number of shares of Stock otherwise issuable pursuant to the settlement of the RSU a number of shares with a Fair Market Value equal to such withholding liability.

5. Dividend Equivalents. If on any date the Company shall pay any cash dividend on shares of Stock of the Company, the number of RSUs credited to the Grantee shall, as of such date, be increased by an amount determined by the following formula:

$W = (X \text{ multiplied by } Y) \text{ divided by } Z$, where:

W = the number of additional RSUs to be credited to the Grantee on such dividend payment date;

X = the aggregate number of RSUs (whether vested or unvested) credited to the Grantee as of the record date of the dividend;

Y = the cash dividend per share amount; and

Z = the Fair Market Value per share of Stock (as determined under the Plan) on the dividend payment date.

6. Termination of Employment.

(a) If, prior to the Settlement Date, the Grantee shall undergo a termination of full-time employment if an employee (and also termination of Service if a director); or cessation of providing Credited Service if a consultant, each other than for Cause, the RSUs which are not vested at the date of such termination shall expire on such date.

(b) If, prior to the Settlement Date, the Grantee is terminated from the employment or service with the Company for Cause, all RSUs then held by such Grantee (whether or not vested) shall expire immediately upon such cessation of employment or service.

7. Company; Grantee.

(a) The term "Company" as used in this Agreement with reference to employment shall include the Company, its Subsidiaries and its Affiliates, as appropriate.

(b) Whenever the word "Grantee" is used in any provision of this Agreement under circumstances where the provision should logically be construed to apply to the beneficiaries, the executors, the administrators, or the person or persons to whom the RSUs may be transferred by will or by the laws of descent and distribution, the word "Grantee" shall be deemed to include such person or persons.

8. Non-Transferability. The RSUs are not transferable by the Grantee other than to a designated beneficiary upon death, by will or the laws of descent and distribution, to a trust solely for the benefit of the Grantee or his/her immediate family, and are exercisable during the Grantee's lifetime only by Grantee, or in the case of the RSUs being held by such a trust, by the trustee.

9. Forfeiture for Non-Compete Violation.

(a) Non-Compete. The Grantee agrees that during the term of Grantee's employment and for a period of two years thereafter (the "Coverage Period") the Grantee will not engage in, consult with, participate in, hold a position as shareholder, director, officer, consultant, employee, partner or investor, or otherwise assist any business entity (i) in any State of the United States of America or (ii) in any other country in which the Company has business activities, in either case, that is engaged in any activities which are competitive with the business of providing healthcare or other personnel on a temporary or permanent placement basis to hospitals, healthcare facilities, healthcare provider practice groups or other entities and any and all business activities reasonably related thereto in which the Company or any of its divisions, affiliates or subsidiaries are then engaged.

(b) Non-Solicit. The Grantee agrees that during the Coverage Period, Grantee shall not solicit, attempt to solicit or endeavor to entice away from the Company any person who, at any time during the term of Grantee's employment was a traveling nurse, physician, allied healthcare professional or other healthcare professional, employee, customer, client or supplier of the Company.

(c) Confidential and Proprietary Information. The Grantee agrees that Grantee will not, at any time make use of or divulge to any other person, firm or corporation any confidential or proprietary information concerning the business or policies of the Company or any of its divisions, affiliates or subsidiaries. For purposes of this Agreement, any confidential information shall constitute any information designated as confidential or proprietary by the Company or otherwise known by the Grantee to be confidential or proprietary information including, without limitation, customer information. Grantee acknowledges and agrees that for purposes of this Agreement, "customer information" includes without limitation, customer lists, all lists of professional personnel, names, addresses, phone numbers, contact persons, preferences, pricing arrangements, requirements and practices. Grantee's obligation under this Section 9(c) shall not apply to any information which (i) is known publicly; (ii) is in the public domain or hereafter enters the public domain without the fault of Grantee; or (iii) is hereafter disclosed to Grantee by a third party not under an obligation of confidence to the Company. Grantee agrees not to remove from the premises of the Company, except as an employee of the Company in pursuit of the business of the Company or except as specifically permitted in writing by the Company, any document or other object containing or reflecting any such confidential or proprietary information. Grantee recognizes that all such information, whether developed by the Grantee or by someone else, will be the sole exclusive property of the Company. Upon termination of employment, Grantee shall forthwith deliver to the Company all such confidential or proprietary information, including without limitation all lists of customers, pricing methods, financial structures, correspondence, accounts, records and any other documents, computer disks, computer programs, software, laptops, modems or property made or held by Grantee or under Grantee's control in relation to the business or affairs of the Company or any of its divisions, subsidiaries or affiliates, and no copy of any such confidential or proprietary information shall be retained by Grantee.

(d) Forfeiture for Violations. If the Grantee shall at any time violate the provisions of Section 9(a), (b), or (c), the Grantee shall immediately forfeit his/her RSUs (whether vested or unvested) and any issuance of shares of Stock which occurs after (or within 6 months before) any such violation shall be void ab initio.

10. Rights as Stockholder. The Grantee or a transferee of the RSUs shall have no rights as a stockholder with respect to any share of Stock covered by the RSUs until the Grantee shall have become the holder of record of such share and no adjustment shall be made for dividends or distributions or other rights in respect of such share of Stock for which the record date is prior to the date upon which Grantee shall become the holder of record thereof.

11. Effect of Change in Control.

(a) In the event of a Change in Control, notwithstanding any vesting schedule, 100% of the RSUs shall become immediately vested and the Company shall issue shares of Stock to the Grantee to settle the RSUs.

(b) The obligations of the Company under this Agreement shall be binding upon any successor corporation or organization resulting from the merger, consolidation or other reorganization of the Company, or upon any successor corporation or organization succeeding to substantially all of the assets and business of the Company. The Company agrees that it will make appropriate provisions for the preservation of the Grantee's rights under this Agreement in any agreement or plan which it may enter into or adopt to effect any such merger, consolidation, reorganization or transfer of assets.

12. Notice. Every notice or other communication relating to this Agreement shall be in writing, and shall be mailed to or delivered to the party for whom it is intended at such address as may from time to time be designated by it in a notice mailed or delivered to the other party as herein provided, provided that, unless and until some other address be so designated, all notices or communications by the Grantee to the Company shall be mailed or delivered to the Company at its principal executive office, and all notices or communications by the Company to the Grantee may be given to the Grantee personally or may be mailed to Grantee at Grantee's address as recorded in the records of the Company.

13. No Right to Continued Employment. This Agreement shall not be construed as giving the Grantee the right to be retained in the employ or service of the Company, a Subsidiary or an Affiliate. Further, the Company or an Affiliate may at any time dismiss the Grantee or discontinue any consulting relationship, free from any liability or any claim under this Agreement, except as otherwise expressly provided herein.

14. Binding Effect. Subject to Section 7 hereof, this Agreement shall be binding upon the heirs, executors, administrators and successors of the parties hereto.

15. Amendment of Agreement. The Committee may, to the extent consistent with the terms of this Agreement, waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any portion of the RSUs heretofore granted, prospectively or retroactively; provided that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would impair the rights of the Grantee in respect of any RSUs already granted shall not to that extent be effective without the consent of the Grantee.

16. RSUs Subject to Plan. By entering into this Agreement, the Grantee agrees and acknowledges that the Grantee has received and read a copy of the Plan. The RSUs are subject to the terms of the Plan. The terms and provisions of the Plan as they may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

17. Governing Law. This Agreement shall be construed and interpreted in accordance with the internal laws of the State of Delaware without regard to the principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the State of Delaware.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

AMN HEALTHCARE SERVICES, INC.

By: _____
Name: Susan R. Nowakowski
Title: President and CEO

GRANTEE

By: _____
Name: [EMPLOYEE'S NAME]

AMN HEALTHCARE SERVICES, INC.

FORM OF

STOCK OPTION PLAN

STOCK OPTION AGREEMENT

THIS STOCK OPTION AGREEMENT (the "Agreement"), made this DATE by and between AMN Healthcare Services, Inc. (the "Company"), a Delaware corporation, and NAME (the "Optionee").

WITNESSETH:

WHEREAS, the Company sponsors the AMN Healthcare Services, Inc. Stock Option Plan (the "Plan"), and desires to afford the Optionee the opportunity to acquire and maintain the Optionee's ownership of the Company's common stock, par value \$.01 per share ("Stock") thereunder, thereby strengthening the Optionee's commitment to the welfare of the Company and Affiliates and promoting an identity of interest between stockholders and the Optionee.

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the parties hereto hereby agree as follows:

1. Definitions.

The following definitions shall be applicable throughout the Agreement. Where defined terms are not defined herein, their meaning shall be that set forth in the Plan.

(a) "Affiliate" means (i) any entity that directly or indirectly is controlled by, or is under common control with the Company and (ii) any entity in which the Company has a significant equity interest, in either case as determined by the Committee.

(b) "Board" means the Board of Directors of the Company.

(c) "Cause" means the Company or an Affiliate having "cause" to terminate an Optionee's employment or service, as defined in any existing employment, consulting or any other agreement between the Optionee and the Company or a Subsidiary or Affiliate, or, in the absence of such an employment, consulting or other agreement, upon (i) the determination by the Committee that the Optionee has ceased to perform his duties to the Company or an Affiliate (other than as a result of his incapacity due to physical or mental illness or injury), which failure amounts to an intentional and extended neglect of his duties to such party, (ii) the Committee's determination that the Optionee has engaged or is about to engage in conduct injurious to the Company or an Affiliate, (iii) the Optionee having been convicted of, or pleaded guilty or no contest to, a felony or a crime involving moral turpitude or (iv) the failure of the Optionee to follow the lawful instructions of the Board or his direct superiors; provided, however, that in the instances of clauses (i), (ii) and (iv), the Company or Affiliate, as applicable, must give the optionee twenty (20) days' prior written notice of the defaults constituting "cause" hereunder.

(d) "Change in Control" shall, unless in the case of a particular Option the applicable Stock Option Agreement states otherwise or contains a different definition of "Change in Control," be deemed to occur upon:

(i) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (a "Person") (other than any of the following (each an "Excluded Person"): HWH Capital Partners, L.P., HWP Capital Partners II, L.P., HWH Nightingale Partners, L.P., HWP Nightingale Partners II, L.P., Haas Wheat & Partners, L.P., any Affiliate of any of the foregoing, or any such group of which any of the foregoing is a member) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of a majority of the combined voting power of

the then outstanding voting securities of the Company entitled to vote generally in the election of directors, or the acquisition by a Person other than an Excluded Person of at least thirty percent (30%) of the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors, if at such time the Excluded Persons in the aggregate own a lesser percentage of such securities than the Person making such acquisition of such securities;

(ii) the dissolution or liquidation of the Company;

(iii) the sale of all or substantially all of the business or assets of the Company; or

(iv) the consummation of a merger, consolidation or similar form of corporate transaction involving the Company that requires the approval of the Company's stockholders, whether for such transaction or the issuance of securities in the transaction (a "Business Combination"), if immediately following such Business Combination: (x) a Person (other than an Excluded Person), is or becomes the beneficial owner, directly or indirectly, of a majority of the combined voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation), or (y) the Company's shareholders cease to beneficially own, directly or indirectly, in substantially the same proportion as they owned the then outstanding voting securities immediately prior to the Business Combination, a majority of the combined voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation). "Surviving Corporation" shall mean the corporation resulting from a Business Combination, and "Parent Corporation" shall mean the ultimate parent corporation that directly or indirectly has beneficial ownership of a majority of the combined voting power of the then outstanding voting securities of the Surviving Corporation entitled to vote generally in the election of directors.

(e) "Code" means the Internal Revenue Code of 1986, as amended. Reference in the Plan to any section of the Code shall be deemed to include any amendments or successor provisions to such section and any regulations under such section.

(f) "Committee" means a committee of at least two people as the Board may appoint to administer the Plan or, if no such committee has been appointed by the Board, the Board. Unless the Board is acting as the Committee or the Board specifically determines otherwise, each member of the Committee shall, at the time he takes any action with respect to a Option under the Plan, be an Eligible Director, however the mere fact that a Committee member shall fail to qualify as an Eligible Director shall not invalidate any Option granted by the Committee which Option is otherwise validly made under the Plan.

(g) "Common Stock" means the common stock, par value \$0.01 per share, of the Company.

(h) "Company" means AMN Healthcare Services, Inc.

(i) "Disability" means a condition entitling a person to receive benefits under the long-term disability plan of the Company, a Subsidiary or Affiliate, as may be applicable to the Optionee in question, or, in the absence of such a plan, the complete and permanent inability by reason of illness or accident to perform the duties of the occupation at which the Optionee was employed or served when such disability commenced or, as determined by the Committee based upon medical evidence acceptable to it.

(j) "Effective Date" means July 24, 2001.

(k) "Eligible Director" means a person who is (i) a "non-employee director" within the meaning of Rule 16b-3 under the Exchange Act, or a person meeting any similar requirement under any successor rule or regulation and (ii) an "outside director" within the meaning of Section 162(m) of the Code, and the Treasury Regulations promulgated thereunder; provided, however, that clause (ii) shall apply only with respect to grants of Options with respect to which the Company's tax deduction could be limited by Section 162(m) of the Code if such clause did not apply.

(l) “Eligible Person” means any (i) individual regularly employed by the Company, a Subsidiary or Affiliate who satisfies all of the requirements of Section 6; provided, however, that no such employee covered by a collective bargaining agreement shall be an Eligible Person unless and to the extent that such eligibility is set forth in such collective bargaining agreement or in an agreement or instrument relating thereto; (ii) director of the Company, or Affiliate or (iii) consultant or advisor to the Company, a Subsidiary or Affiliate who is entitled to participate in an “employee benefit plan” within the meaning of 17 CFR § 230.405 (which, as of the Effective Date, includes those who (A) are natural persons and (B) provide bona fide services to the Company other than in connection with the offer or sale of securities in a capital-raising transaction, and do not directly or indirectly promote or maintain a market for the Company’s securities).

(m) “Exchange Act” means the Securities Exchange Act of 1934.

(n) “Fair Market Value,” on a given date means (i) if the Stock is listed on a national securities exchange, the mean between the highest and lowest sale prices reported as having occurred on the primary exchange with which the Stock is listed and traded on the date prior to such date, or, if there is no such sale on that date, then on the last preceding date on which such a sale was reported; (ii) if the Stock is not listed on any national securities exchange but is quoted in the National Market System of the National Association of Securities Dealers Automated Quotation System (“NASDAQ”) on a last sale basis, the average between the high bid price and low ask price reported on the date prior to such date, or, if there is no such sale on that date, then on the last preceding date on which a sale was reported; or (iii) if the Stock is not listed on a national securities exchange nor quoted in the NASDAQ on a last sale basis, the amount determined by the Board to be the fair market value based upon a good faith attempt to value the Stock accurately and computed in accordance with applicable regulations of the Internal Revenue Service.

(o) “Grant Date” means DATE , which is the date specified in the authorization of the Option grant.

(p) “Non-Qualified Stock Option” means an Option granted by the Committee to an Optionee under the Plan which is not an incentive stock option as described in Section 422 of the Code.

(q) “Normal Termination” means termination of employment or service with the Company and Affiliates:

(i) by the Optionee;

(ii) upon retirement;

(iii) on account of death or Disability; or

(iv) by the Company, a Subsidiary or Affiliate without Cause.

(r) “Option” means an award granted under Section 2.

(s) “Option Period” means the period described in Section 2.

(t) “Option Price” means the exercise price for an Option as described in Section 2.

(u) “Optionee” means an Eligible Person who has been selected by the Committee to participate in the Plan and to receive an Option pursuant to Section 2.

(v) “Securities Act” means the Securities Act of 1933, as amended.

(w) “Stock” means the Common Stock or such other authorized shares of stock of the Company, as the Committee may from time to time authorize for use under the Plan.

(x) “Subsidiary” means any subsidiary of the Company as defined in Section 424(f) of the Code.

2. Grant of Option. Subject to the terms and conditions set forth herein, the Company hereby grants to the Optionee, during the period commencing on the date of this Agreement and ending the day prior to the tenth anniversary of the date hereof (the "Termination Date"), the right and option (the right to purchase any one share of Stock hereunder being an "Option") to purchase from the Company, at \$ per share (the "Option Price"), an aggregate of shares of Stock (the "Option Shares"). The original ten-year term of such Option shall be referred to herein as the "Option Period". The Options are not intended to be "incentive stock options" within the meaning of Section 422 of the Code.

3. Limitations on Exercise of Option. As set forth in the Plan, and subject to the terms and conditions set forth herein, the Optionee may exercise 25% of the Option on and after the first annual anniversary of the Grant Date, an additional 25% of the Option on and after the second anniversary of the Grant Date, an additional 25% of the Option on and after the third anniversary of the Grant Date, and a final 25% of the Option on and after the fourth anniversary of the Grant Date.

4. Termination of Employment.

(a) If, prior to the end of the Option Period, the Optionee shall undergo a Normal Termination other than due to death or Disability, (i) the portion of the Option which is vested at the time of such Normal Termination shall be determined in accordance with Section 3, (ii) the portion of the Option which is not vested at the date of such Normal Termination shall expire on such date; and (iii) the portion of the Option which is vested at the date of such Normal Termination shall expire on the earlier of the Termination Date or the date that is three months after the date of such Normal Termination.

(b) If, prior to the end of the Option Period, the Optionee dies or incurs a Disability while still in the employ or service of the Company, a Subsidiary or Affiliate, or if the Optionee dies within three months following a Normal Termination, (i) the portion of the Option which is not vested at the date of such termination shall expire on such date; and (ii) the portion of the Option which is vested at the date of such termination shall expire on the earlier of the Termination Date or the date that is twelve months after the date of such termination. In such event, the vested portion of the Option may be exercised as described above by the Optionee's personal representative or executor, or by the person or persons to whom the Optionee's rights under the Option pass by will or the applicable laws of descent and distribution.

(c) If, prior to the Termination Date, the Optionee is terminated from the employment or service with the Company for Cause or for reasons other than a Normal Termination, all portions of the Option then held by such Optionee (whether or not vested) shall expire immediately upon such cessation of employment or service.

5. Method of Exercising Option.

(a) The Optionee may exercise any or all of the Options after the time they become vested pursuant to Section 3 hereof by delivering to the Committee a written notice of exercise (in a form designated by the Committee) signed by the Optionee stating the number of Options that the Optionee has elected to exercise at that time and tendering the full payment of the Option Price of the shares of Stock to be thereby purchased from the Company. Payment of the Option Price of the shares may be made in cash and/or shares of Stock valued at the Fair Market Value at the time the Option is exercised (including any means of attestation of ownership of a sufficient number of shares of Stock in lieu of actual delivery of such shares to the Company; provided, however, that such shares are not subject to any pledge or other security interest and have either been held by the Optionee for six months, previously acquired by the Optionee on the open market or meet such other requirements as the Committee may determine necessary in order to avoid an accounting earnings charge in respect of the Option), or, in the discretion of the Committee, either (i) in other property having a fair market value on the date of exercise equal to the Option Price, (ii) by delivering to the Committee a copy of irrevocable instructions to a stockbroker to deliver promptly to the Company an amount of loan proceeds, or proceeds of the sale of the Stock subject to the Option, sufficient to pay the Option Price, or (iii) by such other method as the Committee may allow.

(b) The Optionee may be required to pay to the Company or any Affiliate and the Company or any Affiliate shall have the right and is hereby authorized to withhold from any shares of Stock or other property deliverable under the Option or from any compensation or other amounts owing to the Optionee the amount (in cash, Stock or other property) of any required tax withholding and payroll taxes in respect of an Option, its exercise, or any payment or transfer under an Option or under the Plan and to take such other action as may be necessary in the opinion of the Company to satisfy all obligations for the payment of such taxes.

(c) Without limiting the generality of clause (b) above, in the Committee's sole discretion the Optionee may satisfy, in whole or in part, the foregoing withholding liability (but no more than the minimum required withholding liability) by delivery of shares of Stock owned by the Optionee (which are not subject to any pledge or other security interest and which have been owned by the Participant for at least 6 months or purchased on the open market) with a Fair Market Value equal to such withholding liability or by having the Company withhold from the number of shares of Stock otherwise issuable pursuant to the exercise of the Option a number of shares with a Fair Market Value equal to such withholding liability.

6. Issuance of Shares. As promptly as practical after receipt of written notification of exercise and full payment of the Option Price together with any required income tax withholding, the Company shall issue or transfer to the Optionee, the number of shares with respect to which the Option has been so exercised (less shares withheld in satisfaction of tax withholding obligations, if any), and shall deliver to the Optionee a certificate or certificates therefor, registered in the Optionee's name. The shares delivered to the Optionee pursuant to this Section 6 shall be free and clear of all liens, fully paid and non-assessable.

7. Company; Optionee.

(a) The term "Company" as used in this Agreement with reference to employment shall include the Company, its Subsidiaries and its Affiliates, as appropriate.

(b) Whenever the word "Optionee" is used in any provision of this Agreement under circumstances where the provision should logically be construed to apply to the beneficiaries, the executors, the administrators, or the person or persons to whom the Options may be transferred by will or by the laws of descent and distribution, the word "Optionee" shall be deemed to include such person or persons.

8. Purchase for Investment; Legends. In the event that the offering of Option Shares with respect to which the Options are being exercised is not registered under the Securities Act, but an exemption is available that requires an investment representation or other representation, the Optionee, if electing to purchase Option Shares, shall represent that such Option Shares are being acquired for investment and not with a view to distribution thereof, and to make such other reasonable and customary representations regarding matters relevant to compliance with applicable securities laws as are deemed necessary by counsel to the Company. Stock certificates evidencing such unregistered Option Shares that are acquired upon exercise of the Options shall bear restrictive legends in substantially the following form and such other restrictive legends as are required or advisable under the provisions of any applicable laws or are provided for in the Shareholders Agreement or any other agreement to which Optionee is a party:

THE SHARES REPRESENTED BY THIS STOCK CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), NOR UNDER ANY STATE SECURITIES LAWS AND SHALL NOT BE TRANSFERRED AT ANY TIME IN THE ABSENCE OF (I) AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS WITH RESPECT TO SUCH SHARES AT SUCH TIME, OR (II) AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY AND ITS COUNSEL, TO THE EFFECT THAT SUCH TRANSFER AT SUCH TIME WILL NOT VIOLATE THE SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS.

9. Non-Transferability. The Options are not transferable by the Optionee other than to a designated beneficiary upon death, by will or the laws of descent and distribution, or upon approval of the Committee, to a trust solely for the benefit of the Optionee or his immediate family, and are exercisable during the Optionee's lifetime only by him, or in the case of the Options being held by such a trust, by the trustee.

10. Forfeiture for Non-Compete Violation.

(a) Non-Compete. The grantee agrees that during the term of grantee's employment and for a period of two years thereafter (the "Coverage Period") the grantee will not engage in, consult with, participate in, hold a position as shareholder, director, officer, consultant, employee, partner or investor, or otherwise assist any business entity (i) in any State of the United States of America or (ii) in any other country in which the Company has business activities, in either case, that is engaged in any activities which are competitive with the business of providing healthcare or other personnel on a temporary basis to hospitals, healthcare facilities or other entities and any and all business activities reasonably related thereto in which the Company or any of its divisions, affiliates or subsidiaries are then engaged.

(b) Non-Solicit. The grantee agrees that during the Coverage Period, he shall not solicit, attempt to solicit or endeavor to entice away from the Company any person who, at any time during the Term was a traveling nurse or other healthcare professional, employee, customer, client or supplier of the Company.

(c) Confidential and Proprietary Information. The grantee agrees that he will not, at any time make use of or divulge to any other person, firm or corporation any confidential or proprietary information concerning the business or policies of the Company or any of its divisions, affiliates or subsidiaries. For purposes of this Agreement, any confidential information shall constitute any information designated as confidential or proprietary by the Company or otherwise known by the grantee to be confidential or proprietary information including, without limitation, customer information. Grantee acknowledges and agrees that for purposes of this Agreement, "customer information" includes without limitation, customer lists, all lists of professional personnel, names, addresses, phone numbers, contact persons, preferences, pricing arrangements, requirements and practices. Grantee's obligation under this Section 10(c) shall not apply to any information which (i) is known publicly; (ii) is in the public domain or hereafter enters the public domain without the fault of grantee; or (iii) is hereafter disclosed to grantee by a third party not under an obligation of confidence to the Company. Grantee agrees not to remove from the premises of the Company, except as an employee of the Company in pursuit of the business of the Company or except as specifically permitted in writing by the Company, any document or other object containing or reflecting any such confidential or proprietary information. Grantee recognizes that all such information, whether developed by the grantee or by someone else, will be the sole exclusive property of the Company. Upon termination of employment, grantee shall forthwith deliver to the Company all such confidential or proprietary information, including without limitation all lists of customers, pricing methods, financial structures, correspondence, accounts, records and any other documents, computer disks, computer programs, software, laptops, modems or property made or held by him or under his control in relation to the business or affairs of the Company or any of its divisions, subsidiaries or affiliates, and no copy of any such confidential or proprietary information shall be retained by him.

(d) Forfeiture for Violations. If the grantee shall at any time violate the provisions of Section 10(a), (b), or (c), the grantee shall immediately forfeit all options (whether vested or unvested) and any exercise of an option which occurs after (or within 6 months before) any such violation shall be void ab initio.

11. Rights as Stockholder. The Optionee or a transferee of the Options shall have no rights as a stockholder with respect to any share of Stock covered by the Options until the Optionee shall have become the holder of record of such share and no adjustment shall be made for dividends or distributions or other rights in respect of such share of Stock for which the record date is prior to the date upon which she shall become the holder of record thereof.

12. Changes in Capital Structure. Options granted under the Plan and any Stock Option Agreements, the maximum number of shares of Stock subject to all Options stated in Section 5(a) of the Plan and the maximum number of shares of Stock with respect to which any one person may be granted Options during any period stated in Section 5(d) of the Plan shall be subject to adjustment or substitution, as determined by the Committee in its sole discretion, as to the number, price or kind of a share of Stock or other consideration subject to such Options or as otherwise determined by the Committee to be equitable (i) in the event of changes in the outstanding Stock or in the capital structure of the Company by reason of stock or extraordinary cash dividends, stock splits, reverse stock splits, recapitalization, reorganizations, mergers, consolidations, combinations, exchanges, or other relevant changes in capitalization occurring after the Date of Grant of any such Option or (ii) in the event of any change in applicable laws or any change in circumstances which results in or would result in any substantial dilution or enlargement of the rights granted to, or available for, Participants, or which otherwise warrants equitable adjustment because it interferes with the intended operation of the Plan. Any adjustments under Section 11 of the Plan shall be made in a manner which does not adversely affect the exemption provided pursuant to Rule 16b-3 under the Exchange Act. Further, with respect to Options intended to qualify as “performance-based compensation” under Section 162(m) of the Code, such adjustments or substitutions shall be made only to the extent that the Committee determines that such adjustments or substitutions may be made without causing Options granted under the Plan to fail to qualify as “performance-based compensation” for purposes of Section 162(m) of the Code. The Company shall give each Optionee notice of an adjustment hereunder and, upon notice, such adjustment shall be conclusive and binding for all purposes.

Notwithstanding the above, in the event of any of the following:

- (a) The Company is merged or consolidated with another corporation or entity and, in connection therewith, consideration is received by shareholders of the Company in a form other than stock or other equity interests of the surviving entity;
- (b) All or substantially all of the assets of the Company are acquired by another person;
- (c) The reorganization or liquidation of the Company; or
- (d) The Company shall enter into a written agreement to undergo an event described in clauses (a), (b) or (c) above, then the Committee may, in its discretion and upon at least 10 days advance notice to the affected persons, cancel any outstanding Options and pay to the holders thereof, in cash or stock, or any combination thereof, the value of such Options based upon the price per share of Stock received or to be received by other shareholders of the Company in the event.

13. Effect of Change in Control.

- (a) In the event of a Change in Control, notwithstanding any vesting schedule, the Option shall become immediately exercisable with respect to 100 percent of the shares subject to such Option and, to the extent practicable, such acceleration of exercisability shall occur in a manner and at a time which allows the Optionee the ability to exercise his Option and participate in the Change in Control transaction with respect to the Stock subject to such Option.
- (b) In addition, in the event of a Change in Control, the Committee may in its discretion and upon at least 10 days’ advance notice to the Optionee, cancel any outstanding portions of the Option and pay to the Optionee, in cash or stock, or any combination thereof, the value of such portions of the Option based upon the price per share of Stock received or to be received by other shareholders of the Company in the event.
- (c) The obligations of the Company under this Agreement shall be binding upon any successor corporation or organization resulting from the merger, consolidation or other reorganization of the Company, or upon any successor corporation or organization succeeding to substantially all of the assets and business of the Company. The Company agrees that it will make appropriate provisions for the preservation of the Optionee’s rights under this Agreement in any agreement or plan which it may enter into or adopt to effect any such merger, consolidation, reorganization or transfer of assets.

14. Compliance with Law. Notwithstanding any of the provisions hereof, the Optionee hereby agrees that the Optionee will not exercise the Options, and that the Company will not be obligated to issue or transfer any shares to the Optionee hereunder, if the exercise hereof or the issuance or transfer of such shares shall constitute a violation by the Optionee or the Company of any provisions of any law or regulation of any governmental authority. Any determination in this connection by the Committee shall be final, binding and conclusive. The Company shall in no event be obliged to register any securities for sale under the Securities Act or to take any other affirmative action in order to cause the exercise of the Options or the issuance or transfer of shares pursuant thereto to comply with any law or regulation of any governmental authority.

15. Notice. Every notice or other communication relating to this Agreement shall be in writing, and shall be mailed to or delivered to the party for whom it is intended at such address as may from time to time be designated by it in a notice mailed or delivered to the other party as herein provided, provided that, unless and until some other address be so designated, all notices or communications by the Optionee to the Company shall be mailed or delivered to the Company at its principal executive office, and all notices or communications by the Company to the Optionee may be given to the Optionee personally or may be mailed to her at her address as recorded in the records of the Company.

16. No Right to Continued Employment. This Agreement shall not be construed as giving the Optionee the right to be retained in the employ or service of the Company, a Subsidiary or an Affiliate. Further, the Company or an Affiliate may at any time dismiss the Optionee or discontinue any consulting relationship, free from any liability or any claim under this Agreement, except as otherwise expressly provided herein.

17. Binding Effect. Subject to Section 9 hereof, this Agreement shall be binding upon the heirs, executors, administrators and successors of the parties hereto.

18. Amendment of Agreement. The Committee may, to the extent consistent with the terms of this Agreement, waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any portion of the Option heretofore granted, prospectively or retroactively; provided that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would impair the rights of the Optionee in respect of any Option already granted shall not to that extent be effective without the consent of the Optionee.

19. Option Subject to Plan. By entering into this Agreement, the Optionee agrees and acknowledges that the Optionee has received and read a copy of the Plan. The Option is subject to the Plan. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

20. Governing Law. This Agreement shall be construed and interpreted in accordance with the internal laws of the State of Delaware without regard to the principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the State of Delaware.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

AMN HEALTHCARE SERVICES, INC.

By: _____

Name:

Title:

OPTIONEE

By: _____

Name: