As filed with the Securities and Exchange Commission on September 4, 2003

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE TO

Tender Offer Statement
under Section 14(d)(1) or 13(e)(1)
of the Securities Exchange Act of 1934

AMN HEALTHCARE SERVICES, INC.

(Name of Subject Company and Filing Person)

Common Stock, par value $0.01 per share		**Options to purchase Common Stock**
(Title of Class of Securities)		**(Title of Class of Securities)**
001744101		**None**
(CUSIP Number of Class of Securities)		**(CUSIP Number of Class of Securities)**

Donald R. Myll
Chief Financial Officer and
Chief Accounting Officer
AMN Healthcare Services, Inc.
12400 High Bluff Drive, Suite 100
San Diego, California 92130
(858) 720-1613

with a copy to:

John C. Kennedy, Esq.
Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, New York 10019
(212) 373-3000

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

Calculation of Filing Fee

Transaction Valuation*	**Amount of Filing Fee**
$180,000,000	$14,562

* AMN Healthcare Services, Inc. intends to purchase, for cash, shares of its common stock, par value $0.01 per share and/or its options to purchase common stock, with an aggregate purchase price of up to $180.0 million.

☐ Check 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:	None	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: ☐

This Tender Offer Statement on Schedule TO relates to the offer by AMN Healthcare Services, Inc., a Delaware corporation (the "Company"), to purchase (1) its common stock, par value $0.01 per share ("Shares") at a price of $18.00 per Share, net to the seller in cash, without interest and (2) certain vested and exercisable options to purchase Shares (each, an "Option") held by its employees at a price equal to $18.00, less the applicable exercise price of such Option, net to the seller in cash, without interest, in each case, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated September 4, 2003 (the "Offer to Purchase"), a copy of which is attached hereto as Exhibit (a)(1)(A), in the related Letter of Transmittal (the "Letter of Transmittal"), a copy of which is attached hereto as Exhibit (a)(1)(B) and in the related Election to Tender Options (the "Election to Tender Options"), a copy of which is attached hereto as Exhibit (a)(1)(H). This Tender Offer Statement on Schedule TO is intended to satisfy the reporting requirements of Rule 13e-4(c)(2) of the Securities Exchange Act of 1934.

Item 1. ***Summary Term Sheet.***

The information set forth under the caption, "Summary Term Sheet," in the Offer to Purchase is incorporated herein by reference.

Item 2. ***Subject Company Information.***

(a) The information set forth in Section 10 of the Offer to Purchase is incorporated herein by reference.

(b) The classes of securities to which this Schedule TO relates are (i) the Company's common stock, par value $0.01 per share, and (ii) options to purchase common stock. The information set forth in the Offer to Purchase under the caption "Introduction" is incorporated herein by reference.

(c) The information set forth in Section 6 of the Offer to Purchase is incorporated herein by reference.

Item 3. ***Identity and Background of Filing Person.***

(a) The Company, which is the subject company, is the filing person, and the information set forth in Sections 10 and 11 of the Offer to Purchase is incorporated herein by reference.

Item 4. ***Terms of the Transaction.***

(a)(1) The information set forth in the Offer to Purchase is incorporated herein by reference.

(a)(2) Not applicable.

(b) The information set forth in Section 11 of the Offer to Purchase is incorporated herein by reference.

Item 5. ***Past Contacts, Transactions, Negotiations and Agreements.***

(e) The information set forth in Section 12 of the Offer to Purchase is incorporated herein by reference.

Item 6. ***Purposes of the Transaction and Plans or Proposals.***

(a)-(c) The information set forth in Sections 9, 11 and 13 of the Offer to Purchase is incorporated herein by reference.

Item 7. ***Source and Amount of Funds or Other Consideration.***

(a),(b),(d) The information set forth in Section 7 of the Offer to Purchase is incorporated herein by reference.

Item 8. ***Interest in Securities of the Subject Company.***

(a)-(b) The information set forth in Section 11 of the Offer to Purchase is incorporated herein by reference.

Item 9. ***Persons/Assets, Retained, Employed, Compensated or Used.***

(a) The information set forth in Section 16 of the Offer to Purchase is incorporated herein by reference.

Item 10. ***Financial Statements.***

(a)(1) The information set forth in Item 8 of the Company's Annual Report on Form 10-K for the year ended December 31, 2002 is incorporated herein by reference.

(a)(2) The information set forth in Item 1 of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2003 is incorporated herein by reference.

(a)(3) The information set forth in Section 10 of the Offer to Purchase is incorporated herein by reference.

(a)(4) The information set forth in Section 10 of the Offer to Purchase is incorporated herein by reference.

(b) The information set forth in Section 10 of the Offer to Purchase is incorporated herein by reference.

Item 11. ***Additional Information.***

(a)(1) The information set forth in Sections 11 and 12 of the Offer to Purchase is incorporated herein by reference.

(a)(2) The information set forth in Section 14 of the Offer to Purchase is incorporated herein by reference.

(a)(3) Not applicable.

(a)(4) The information set forth in Section 9 of the Offer to Purchase is incorporated herein by reference.

(a)(5) Not applicable.

(b) The information set forth in the Offer to Purchase and the Letter of Transmittal is incorporated herein by reference.

Item 12. ***Exhibits.***

Exhibit Number	Description
(a)(1)(A)	Offer to Purchase, dated September 4, 2003.
(a)(1)(B)	Letter of Transmittal.
(a)(1)(C)	Notice of Guaranteed Delivery.
(a)(1)(D)	Letter from the Information Agent to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
(a)(1)(E)	Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
(a)(1)(F)	Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9.
(a)(1)(G)	Letter to Securityholders, dated as of September 4, 2003.
(a)(1)(H)	Election to Tender Options.
(a)(1)(I)	Press Release, dated as of August 28, 2003 by the Company, is incorporated by reference to the Company's Statement on Schedule TO dated as of August 28, 2003.
(a)(1)(J)	Press Release, dated as of September 4, 2003 by the Company.
(b)	Credit Agreement Commitment Letter, dated as of August 28, 2003, by and among AMN Healthcare, Inc., Bank of America, N.A. and Banc of America Securities LLC.
(d)(1)	Registration Rights Agreement, dated as of November 16, 2001, among the Company, HWH Capital Partners, L.P., HWH Nightingale Partners, L.P., HWP Nightingale Partners II, L.P., HWP Capital Partners II, L.P., BancAmerica Capital Investors SBIC I, L.P., the Francis Family Trust dated May 24, 1996 and Steven Francis, is incorporated by reference to Exhibit 4.2 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2001.
(d)(2)	AMN Holdings, Inc. 1999 Performance Stock Option Plan, as amended, is incorporated by reference to Exhibit 10.5 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(3)	1999 Performance Stock Option Plan Stock Option Agreement, dated as of November 19, 1999, between the Company and Steven Francis, is incorporated by reference to Exhibit 10.11 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(4)	Amendment, dated as of December 13, 2000, to the 1999 Performance Stock Option Plan Stock Option Agreement, dated as of November 19, 1999, between the Company and Steven Francis, is incorporated by reference to Exhibit 10.12 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(5)	Amendment No. 2, dated as of July 24, 2001, to the 1999 Performance Stock Option Plan Stock Option Agreement, dated as of November 19, 1999, as amended December 13, 2000, between the Company and Steven Francis, is incorporated by reference to Exhibit 10.13 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(6)	1999 Performance Stock Option Plan Stock Option Agreement, dated as of November 19, 1999, between the Company and Susan Nowakowski, is incorporated by reference to Exhibit 10.17 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(7)	Amendment, dated as of December 13, 2000, to the 1999 Performance Stock Option Plan Stock Option Agreement, dated as of November 19, 1999, between the Company and Susan Nowakowski, is incorporated by reference to Exhibit 10.18 to the Company's Registration Statement on Form S-1 (File No. 333-65168).

Exhibit Number	Description
(d)(8)	Amendment No. 2, dated as of July 24, 2001, to the 1999 Performance Stock Option Plan Stock Option Agreement, dated as of November 19, 1999, as amended December 13, 2000, between the Company and Susan Nowakowski, is incorporated by reference to Exhibit 10.19 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(9)	1999 Performance Stock Option Plan Stock Option Agreement, dated as of November 20, 2000, between the Company and Susan Nowakowski, is incorporated by reference to Exhibit 10.23 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(10)	Amendment, dated as of July 24, 2001, to the 1999 Performance Stock Option Plan Stock Option Agreement, dated as of November 20, 2000, between the Company and Susan Nowakowski, is incorporated by reference to Exhibit 10.24 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(11)	1999 Performance Stock Option Plan Stock Option Agreement, dated as of December 13, 2000, between the Company and Steven Francis, is incorporated by reference to Exhibit 10.27 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(12)	Amendment, dated as of July 24, 2001, to the 1999 Performance Stock Option Plan Stock Option Agreement, dated as of December 13, 2000, between the Company and Steven Francis, is incorporated by reference to Exhibit 10.28 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(13)	1999 Performance Stock Option Plan Stock Option Agreement, dated as of December 13, 2000, between the Company and Susan Nowakowski, is incorporated by reference to Exhibit 10.31 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(14)	Amendment, dated as of July 24, 2001, to the 1999 Performance Stock Option Plan Stock Option Agreement, dated as of December 13, 2000, between the Company and Susan Nowakowski, is incorporated by reference to Exhibit 10.32 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(15)	AMN Holdings, Inc. 1999 Super-Performance Stock Option Plan, as amended, is incorporated by reference to Exhibit 10.6 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(16)	1999 Super-Performance Stock Option Plan Stock Option Agreement, dated as of November 19, 1999, between the Company and Steven Francis, is incorporated by reference to Exhibit 10.14 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(17)	Amendment, dated as of December 13, 2000, to the Super-Performance Stock Option Plan Stock Option Agreement, dated as of November 19, 1999, between the Company and Steven Francis, is incorporated by reference to Exhibit 10.15 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(18)	Amendment No. 2, dated as of July 24, 2001, to the 1999 Super-Performance Stock Option Plan Stock Option Agreement, dated as of November 19, 1999, as amended December 13, 2000, between the Company and Steven Francis, is incorporated by reference to Exhibit 10.16 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(19)	1999 Super-Performance Stock Option Plan Stock Option Agreement, dated as of November 19, 1999, between the Company and Susan Nowakowski, is incorporated by reference to Exhibit 10.20 to the Company's Registration Statement on Form S-1 (File No. 333-65168).

Exhibit Number	Description
(d)(20)	Amendment, dated as of December 13, 2000, to the Super-Performance Stock Option Plan Stock Option Agreement, dated as of November 19, 1999, between the Company and Susan Nowakowski, is incorporated by reference to Exhibit 10.21 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(21)	Amendment No. 2, dated as of July 24, 2001, to the 1999 Super-Performance Stock Option Plan Stock Option Agreement, dated as of November 19, 1999, as amended December 13, 2000, between the Company and Susan Nowakowski, is incorporated by reference to Exhibit 10.22 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(22)	1999 Super-Performance Stock Option Plan Stock Option Agreement, dated as of November 20, 2000, between the Company and Susan Nowakowski, is incorporated by reference to Exhibit 10.25 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(23)	Amendment, dated as of July 24, 2001, to the 1999 Super-Performance Stock Option Plan Stock Option Agreement, dated as of November 20, 2000, between the Company and Susan Nowakowski, is incorporated by reference to Exhibit 10.26 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(24)	1999 Super-Performance Stock Option Plan Stock Option Agreement, dated as of December 13, 2000, between the Company and Steven Francis, is incorporated by reference to Exhibit 10.29 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(25)	Amendment, dated as of July 24, 2001, to the 1999 Super-Performance Stock Option Plan Stock Option Agreement, dated as of December 13, 2000, between the Company and Steven Francis, is incorporated by reference to Exhibit 10.30 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(26)	1999 Super-Performance Stock Option Plan Stock Option Agreement, dated as of December 13, 2000, between the Company and Susan Nowakowski, is incorporated by reference to Exhibit 10.33 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(27)	Amendment, dated as of July 24, 2001, to the 1999 Super-Performance Stock Option Plan Stock Option Agreement, dated as of December 13, 2000, between the Company and Susan Nowakowski, is incorporated by reference to Exhibit 10.34 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(28)	AMN Healthcare Services, Inc. 2001 Stock Option Plan, is incorporated by reference to Exhibit 10.7 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(29)	2001 Stock Option Plan Stock Option Agreement, dated as of July 24, 2001, between the Company and Donald Myll, is incorporated by reference to Exhibit 10.35 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(30)	2001 Stock Option Plan Stock Option Agreement, dated as of January 17, 2002, between the Company and Steven Francis, is incorporated by reference to Exhibit 10.38 to the Company's Registration Statement on Form S-1 (File No. 333-86952).
(d)(31)	2001 Stock Option Plan Stock Option Agreement, dated as of January 17, 2002, between the Company and Susan Nowakowski, is incorporated by reference to Exhibit 10.39 to the Company's Registration Statement on Form S-1 (File No. 333-86952).
(d)(32)	2001 Stock Option Plan Stock Option Agreement, dated as of January 17, 2002, between the Company and Donald Myll, is incorporated by reference to Exhibit 10.40 to the Company's Registration Statement on Form S-1 (File No. 333-86952).

Exhibit Number	Description
(d)(33)	2001 Stock Option Plan Stock Option Agreement, dated as of January 17, 2002, between the Company and Michael Gallagher, is incorporated by reference to Exhibit 10.41 to the Company's Registration Statement on Form S-1 (File No. 333-86952).
(d)(34)	2001 Stock Option Plan Stock Option Agreement, dated as of January 17, 2002, between the Company and William Miller, is incorporated by reference to Exhibit 10.42 to the Company's Registration Statement on Form S-1 (File No. 333-86952).
(d)(35)	2001 Stock Option Plan Stock Option Agreement, dated as of January 17, 2002, between the Company and Andrew Stern, is incorporated by reference to Exhibit 10.43 to the Company's Registration Statement on Form S-1 (File No. 333-86952).
(d)(36)	2001 Stock Option Plan Stock Option Agreement, dated as of May 8, 2003, between the Company and Andrew Stern.
(d)(37)	2001 Stock Option Plan Stock Option Agreement, dated as of May 8, 2003, between the Company and Michael Gallagher.
(d)(38)	2001 Stock Option Plan Stock Option Agreement, dated as of May 8, 2003, between the Company and William Miller.
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(d)(40)	2001 Stock Option Plan Stock Option Agreement, dated as of May 8, 2003, between the Company and Susan Nowakowski.
(d)(41)	2001 Stock Option Plan Stock Option Agreement, dated as of May 8, 2003, between the Company and Steven Francis.
(d)(42)	Employment and Non-Competition Agreement, dated as of November 19, 1999, among AMN Holdings, Inc., AMN Acquisition Corp. and Steven Francis, is incorporated by reference to Exhibit 10.8 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(43)	Executive Severance Agreement, dated as of November 19, 1999, between AMN Healthcare, Inc. and Susan Nowakowski, is incorporated by reference to Exhibit 10.9 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(44)	Executive Severance Agreement, dated as of May 21, 2001, between AMN Healthcare, Inc. and Donald Myll, is incorporated by reference to Exhibit 10.10 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(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: September 4, 2003

AMN HEALTHCARE SERVICES, INC.

By: /S/ DONALD R. MYLL

Donald R. Myll
Chief Financial Officer and
Chief Accounting Officer

Exhibit Index

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(a)(1)(A)	Offer to Purchase, dated September 4, 2003.
(a)(1)(B)	Letter of Transmittal.
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(a)(1)(D)	Letter from the Information Agent to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
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(d)(1)	Registration Rights Agreement, dated as of November 16, 2001, among the Company, HWH Capital Partners, L.P., HWH Nightingale Partners, L.P., HWP Nightingale Partners II, L.P., HWP Capital Partners II, L.P., BancAmerica Capital Investors SBIC I, L.P., the Francis Family Trust dated May 24, 1996 and Steven Francis, is incorporated by reference to Exhibit 4.2 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2001.
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(d)(21)	Amendment No. 2, dated as of July 24, 2001, to the 1999 Super-Performance Stock Option Plan Stock Option Agreement, dated as of November 19, 1999, as amended December 13, 2000, between the Company and Susan Nowakowski, is incorporated by reference to Exhibit 10.22 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
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(d)(34)	2001 Stock Option Plan Stock Option Agreement, dated as of January 17, 2002, between the Company and William Miller, is incorporated by reference to Exhibit 10.42 to the Company's Registration Statement on Form S-1 (File No. 333-86952).
(d)(35)	2001 Stock Option Plan Stock Option Agreement, dated as of January 17, 2002, between the Company and Andrew Stern, is incorporated by reference to Exhibit 10.43 to the Company's Registration Statement on Form S-1 (File No. 333-86952).
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(d)(42)	Employment and Non-Competition Agreement, dated as of November 19, 1999, among AMN Holdings, Inc., AMN Acquisition Corp. and Steven Francis, is incorporated by reference to Exhibit 10.8 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(43)	Executive Severance Agreement, dated as of November 19, 1999, between AMN Healthcare, Inc. and Susan Nowakowski, is incorporated by reference to Exhibit 10.9 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(d)(44)	Executive Severance Agreement, dated as of May 21, 2001, between AMN Healthcare, Inc. and Donald Myll, is incorporated by reference to Exhibit 10.10 to the Company's Registration Statement on Form S-1 (File No. 333-65168).
(g)	Not applicable.
(h)	Not applicable.

Offer to Purchase for Cash

by

AMN Healthcare Services, Inc.

up to

An Aggregate of $180.00 million of
Shares of its Common Stock, par value $0.01 per Share
and
Vested and Exercisable Options to Purchase Shares of its Common Stock

At a Purchase Price of $18.00 per Share and
$18.00 per Option (Less the Applicable Option Exercise Price)

THE OFFER, PRORATION PERIOD AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, EASTERN TIME, ON OCTOBER 1, 2003, UNLESS THE OFFER IS EXTENDED.

We, AMN Healthcare Services, Inc., a Delaware corporation, invite holders of our common stock, par value $0.01 per share ("Shares") to tender their Shares for purchase by us at a price of $18.00 per Share, net to the seller in cash, without interest. We also invite our employees who are holders of the 3,138,030 vested and exercisable options to purchase Shares (each, an "Option") at exercise prices less than $18.00 per Share that were outstanding as of September 2, 2003 to tender each such Option for purchase by us at a price equal to $18.00, less the applicable exercise price of such Option, net to the seller in cash, without interest. We will purchase Shares and Options (collectively, the "Securities") whose purchase price does not exceed $180.0 million, in the aggregate. If more than $180.0 million in aggregate purchase price of Securities are tendered, the amount of Securities tendered by each holder will be subject to proration, as described in "Section 2. Procedures for Tendering Securities." Our principal stockholders, who held, as of September 2, 2003, approximately 46.7% of our outstanding Shares, have informed us that they intend to tender all of their Securities in the Offer. As a result, we expect that all tenders of Securities will be subject to proration.

As used in this Offer to Purchase, the terms "the Company," "we," "us," "our" and similar terms refer to AMN Healthcare Services, Inc., unless the context clearly indicates otherwise.

Our offer is being made upon the terms and subject to the conditions described in this Offer to Purchase and the related Letter of Transmittal (including the proration provisions described herein), which, as amended or supplemented from time to time, together constitute this "Offer." This Offer is not conditioned on any minimum amount of Securities being tendered. However, this Offer is subject to certain other conditions. See "Section 5. Certain Conditions to the Offer."

Although we currently have no plans to do so, we may, in the future, distribute additional cash to holders of our securities, including by way of one or more dividends, distributions or repurchases of our securities on the open market, in private transactions or by other methods, subject to the approval of our Board of Directors and compliance with Rule 13e-4 of the Securities Exchange Act of 1934. See "Section 13. Future Plans of the Company." Future purchases may be on the same terms or on terms that are more or less favorable to the holders of the purchased securities than the terms of this Offer.

Our Shares are listed and traded on the New York Stock Exchange ("NYSE") under the symbol "AHS." We first publicly announced the Offer after the close of trading on the NYSE on August 28, 2003. On August 28, 2003, the last reported sale price of our Shares on the NYSE was $14.44. See "Section 6. Price Range of Shares." **We urge you to obtain current market quotations for the Shares.**

Neither we nor our Board of Directors make any recommendation to you as to whether to tender or refrain from tendering your Securities. You must make your own decision as to whether to tender your Securities and, if so, how many Securities to tender. In doing so, you should consider our reasons for making this Offer. See "Section 9. Purpose of the Offer; Certain Effects of the Offer" and "Section 6. Price Range of Shares."

September 4, 2003

IMPORTANT

If you wish to tender all or any part of the Shares registered in your name, you should follow the instructions described in "Section 1. Terms of the Offer; Expiration Date" and "Section 2. Procedures for Tendering Securities" carefully, including completing a Letter of Transmittal in accordance with the instructions and delivering it, along with your share certificates and any other required items, to Mellon Investor Services LLC, our Depositary. If your Shares are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, you should contact the nominee if you desire to tender your Shares and request that the nominee tender your Shares for you.

Any stockholder who desires to tender Shares and whose certificates for those Shares are not immediately available, or cannot be delivered to the Depositary, or who cannot comply with the procedure for book-entry transfer or whose other required documents cannot be delivered to the Depositary by the expiration of the Offer, may tender the Shares pursuant to the guaranteed delivery procedure set forth in "Section 2. Procedures for Tendering Securities."

If you hold Options, you may tender all or part of your Options, and you should follow the instructions described in "Section 1. Terms of the Offer; Expiration Date" and "Section 2. Procedures for Tendering Securities" carefully, including completing and delivering an Election to Tender Options in accordance with the instructions. You should not enclose with the Election to Tender Options the option agreement relating to any Option you tender.

We are offering to purchase Securities with an aggregate purchase price of up to $180.0 million. For the purpose of calculating this aggregate amount, we are including both Shares and Options that are properly tendered and not properly withdrawn before the expiration date. As a consequence, the proration calculation, as described in Section 2 below, will include both Shares and Options.

You may request additional copies of this Offer to Purchase, the Letter of Transmittal or the Notice of Guaranteed Delivery from Mellon Investor Services LLC, our Information Agent, at its address and telephone number printed on the back cover of this Offer to Purchase. If you hold Options, you may request additional copies of the Election to Tender Options from the Company, 12400 High Bluff Drive, Suite 100, San Diego, California, 92130, Attn: Legal Department.

We have not authorized any person to make any recommendation on our behalf as to whether you should tender or refrain from tendering your Securities in this Offer. You should rely only on the information contained in this document or other documents to which we refer you in this Offer to Purchase. We have not authorized anyone to provide you with information or to make any representation in connection with this Offer other than those contained in this Offer to Purchase and the documents to which we refer you, including the Letter of Transmittal and the Election to Tender Options. If anyone makes any recommendation or gives any other information or representation, you must not rely upon it as having been authorized by us.

This document is dated September 4, 2003. You should not assume that the information contained in this document is accurate as of any date other than this date. The mailing of this document to holders of Securities shall not imply information is accurate as of any other date.

SUMMARY TERM SHEET

We are offering to purchase Securities with an aggregate purchase price of up to $180.0 million. We are offering to purchase Shares at a price of $18.00 per Share, net to you in cash, without interest and Options at a price equal to $18.00, less the applicable exercise price of such Option, net to you in cash, without interest. The following are some of the questions that you, as a holder of Securities, may have and answers to those questions. This summary highlights the most material information from this Offer to Purchase. To understand the Offer fully and for a more complete description of the terms of the Offer, you should read carefully this entire Offer to Purchase, the Letter of Transmittal and, if you hold Options, the Election to Tender Options. We have included page references parenthetically to direct you to a more complete description of the topics in this summary.

Q. ***What securities is the Company offering to purchase? (Page 1)***

A. We are offering to purchase Securities with an aggregate purchase price of up to $180.0 million, or such lesser amount of such Securities that holders properly tender in the Offer. If more than $180.0 million in aggregate purchase price of Securities are tendered, and we do not elect to increase the amount that we will purchase, all Securities tendered will be purchased on a *pro rata* basis.

Q. ***What are the intentions of the Company's principal stockholders and management with respect to their Securities? (Pages 3 and 24)***

A. HWH Capital Partners, L.P., HWH Nightingale Partners, L.P., HWP Nightingale Partners II, L.P. and HWP Capital Partners II, L.P. (together, the "HW Stockholders"), which together owned approximately 46.7% of the outstanding Shares as of September 2, 2003, have informed us that they intend to tender all of their Shares in the Offer. Steven C. Francis, our Chief Executive Officer, has informed us that he will not be tendering any of the Securities he beneficially owns. In addition, other directors and executive officers of the Company have advised us that they intend to tender in the Offer Securities with an expected aggregate purchase price of approximately $8.5 million. Therefore, the amount of Securities you tender likely will be reduced pursuant to the proration procedures described below.

Q. ***How will the proration calculation work? (Page 4)***

A. Proration refers to our purchase of properly tendered Securities on a pro rata basis if more than $180.0 million in the aggregate purchase price of Securities, or such greater amount as we may elect to purchase, subject to applicable law, are properly tendered. If proration of tendered Securities is required, we will determine the proration factor promptly after the expiration date. The proration factor for each holder tendering Securities will be based on the ratio that the aggregate purchase price for such Securities bears to the aggregate purchase price of all Securities validly tendered into the Offer and not withdrawn before the expiration date. If a holder of Options tenders Options with differing exercise prices, we will accept Options with the lowest exercise prices first. As of September 2, 2003 there were Options to purchase an aggregate of 3,138,030 Shares that were eligible to be tendered into the Offer, whose aggregate purchase price would be approximately $41.6 million if they were all tendered into the Offer. Proration will apply even if you hold fewer than 100 Securities. All Shares not purchased pursuant to the Offer, including Shares not purchased because of proration, will be returned to the tendering holders at our expense. All Options not purchased pursuant to the Offer, including Options not purchased because of proration, will continue to be outstanding in accordance with their terms.

Q. ***How much will the Company pay me for my Shares, and what is the form of payment? (Page 1)***

A. Stockholders whose Shares are purchased in the Offer will be paid the purchase price of $18.00 per Share, net in cash, without interest, promptly after the expiration of the Offer. Under no circumstances will we pay interest on the purchase price, including but not limited to, by reason of any delay in making payment.

If you are the recordholder of your Shares and you tender your Shares to us in the Offer, you will not have to pay brokerage fees or similar expenses to the Information Agent or the Depositary. If you hold your Shares through a custodian, and your custodian tenders your Shares on your behalf, your custodian may charge you a fee for doing so. You should consult your custodian to determine whether any charges will apply.

Q. ***Are all Options eligible to be tendered into the Offer? How much will the Company pay me for my Options, and what is the form of payment? (Page 1)***

A. We are offering to purchase only those Options with exercise prices less than $18.00 per Share that are vested and exercisable and held by employees of the Company as of September 2, 2003. Holders of Options whose Options are purchased in the Offer will be paid an amount per Option equal to the difference between $18.00 and the exercise price of such Option, net in cash, without interest, promptly after expiration of the Offer. Under no circumstances will we pay interest on the purchase price, including but not limited to, by reason of any delay in making payment.

Q. ***When does the Offer expire? Can the Company extend the Offer and, if so, how will I be notified? (Pages 3 and 30)***

A. The Offer expires on October 1, 2003 at 12:00 midnight, Eastern Time, unless we decide to extend the Offer. We may extend the Offer at any time. We cannot assure you, however, that the Offer will be extended or, if extended, for how long. If the Offer is extended, we will make a public announcement of the extension no later than 9:00 a.m., Eastern Time, on the next business day following the previously scheduled expiration of the Offer period.

Q. ***What is the purpose of the Offer? (Page 17)***

A. We have evaluated our operations, strategy, potential acquisition opportunities, alternatives to the Offer and expectations for the future and believe that the Offer is a prudent use of our financial resources, given our free cash flow, capital structure and current market price of our common stock. This Offer allows stockholders an opportunity to realize at least a portion of their investment in our Shares. Stockholders who choose not to tender their Shares will own a larger interest in the Company. We are offering to purchase Options as a mechanism to allow our employees to realize the equity value of their vested and exercisable options.

Although we currently have no plans to do so, we may, in the future, distribute additional cash to holders of our securities, including by way of one or more dividends, distributions or repurchases of our securities on the open market, in private transactions or by other methods, subject to the approval of our Board of Directors and compliance with Rule 13e-4 of the Securities Exchange Act of 1934. See “Section 13. Future Plans of the Company.” Future purchases may be on the same terms or on terms that are more or less favorable to the holders of the purchased securities than the terms of this Offer.

Q. ***How will the Company pay for the Securities? (Page 11)***

A. We expect that the maximum aggregate cost of purchasing the Securities, including all fees and expenses applicable to the Offer, will be approximately $185 million. We anticipate that the source of the funds necessary to purchase Securities tendered in the Offer, as well as to pay related fees and expenses, will be approximately $40 million of cash on hand, approximately $25 million of revolving borrowings and approximately $120 million of new term borrowings. Prior to the expiration date and as a condition to our obligation to purchase the Securities in the Offer, we intend to amend our existing credit agreement, which currently has a $75 million revolving credit facility, to permit the completion of the Offer and to provide for the new $120 million term loan. On August 28, 2003, we signed a commitment letter with our principal lender relating to the amended credit agreement.

Q. ***What are the most significant conditions to the Offer? (Page 9)***

A. Our obligation to accept for payment, purchase or pay for any Securities tendered depends on a number of conditions, including:

- our lenders shall have entered into an amended credit facility with us on terms acceptable to us, the amended credit facility shall have become effective, and at least $145 million of funding under the amended credit facility, including a new $120 million term loan, shall have become available to us as of the expiration date;
- no significant decrease in the price of our Shares or in the price of equity securities generally, or any adverse change in the U.S. equity or credit markets, shall have occurred during this Offer;
- receipt by our Board of Directors of an opinion as to the Company's capital surplus under Delaware law and solvency to be delivered at the expiration date;
- no legal action shall have been threatened in writing, pending or otherwise taken that might adversely affect the Offer;
- no person, entity or group shall have proposed, announced or made a tender or exchange offer (other than this Offer), merger, business combination or other similar transaction involving the Company; and
- no material adverse change in our business, condition (financial or otherwise), assets, income, operations or prospects shall have occurred during this Offer.

Our purchase is not conditioned upon any minimum amount of Securities being tendered. The foregoing conditions are for the sole benefit of the Company and we may, in our exclusive judgment, assert or waive any of these conditions, other than those subject to applicable law, in whole or in part at any time and from time to time prior to the expiration of the Offer.

Q. ***How do I tender my Shares? (Page 4)***

A. If you decide to tender your Shares you must either: deliver your Shares by mail, physical delivery or book-entry transfer and deliver a completed and signed Letter of Transmittal to the Depositary before 12:00 midnight, Eastern Time, on October 1, 2003; or if your share certificates are not immediately available for delivery to the Depositary, comply with the guaranteed delivery procedure before 12:00 midnight, Eastern Time, on October 1, 2003.

If you have any questions, you should contact the Information Agent or your broker for assistance. The Information Agent's contact information is located at the end of this summary term sheet.

Q. ***How do I tender my Options? (Page 6)***

A. If you elect to tender any of your Options, you must properly complete and sign the Election to Tender Options and ensure that we receive the completed Election to Tender Options (or facsimile thereof) at the address or facsimile number provided in the Election to Tender Options, together with all other documents required thereby, before 12:00 midnight, Eastern Time, on October 1, 2003. If we extend the offer beyond that time, you must deliver these documents before the extended expiration of the Offer. We reserve the right to reject any or all tenders of Options that we determine are not in appropriate form or that we determine are unlawful to accept.

Q. ***Following the Offer, will the Company continue to be listed on the NYSE and be subject to reporting requirements under the Exchange Act? (Page 10)***

A. Yes. It is a condition of our obligation to purchase Shares in the Offer that there will not be a reasonable likelihood that the purchase will cause our Shares to be delisted from the NYSE or cause us to no longer be subject to the periodic reporting requirements of the Exchange Act. Therefore, we expect that the completion of the Offer will not result in the Shares being delisted from the NYSE or the Company no longer being subject to periodic reporting requirements under the Exchange Act.

Q. ***Until what time can I withdraw previously tendered Securities? (Page 7)***

A. You may withdraw your tendered Securities at any time before 12:00 midnight, Eastern Time, on October 1, 2003 and, unless already accepted for payment by the Company, at any time after 12:00 midnight, Eastern Time, on October 29, 2003.

Q: ***How do I withdraw previously tendered Shares? (Page 8)***

A: To withdraw Shares, you must deliver a written notice of withdrawal or a facsimile of one, with the required information to the Depositary while you still have the right to withdraw the Shares.

Q: ***How do I withdraw previously tendered Options? (Page 8)***

A: To withdraw Options, you must deliver a written notice of withdrawal or a facsimile of one, with the required information to us at the address or facsimile number provided in the Election to Tender Options while you still have the right to withdraw the Options.

Q. ***What do the Company and its Board of Directors think of the Offer? (Page 17)***

A. Our Board of Directors has approved the Offer. However, neither we nor our Board of Directors make any recommendation to you as to whether to tender or refrain from tendering your Securities. You must decide whether to tender your Securities and, if so, how many Securities to tender.

Q. ***What is a recent market price of the Shares? (Page 11)***

A. We first publicly announced the Offer after the close of trading on the NYSE on August 28, 2003. On August 28, 2003, the last reported sale price of our Shares on the NYSE was $14.44. **We urge you to obtain current market quotations for the Shares.**

Q. ***How will I be taxed for U.S. federal income tax purposes if I tender Shares? (Page 12)***

A. Our purchase of Shares from you pursuant to the Offer will be a taxable transaction for U.S. federal income tax purposes. The cash you receive for your tendered Shares will generally be treated for U.S. federal income tax purposes either as consideration received in respect of a sale or exchange of the Shares purchased by us or as a distribution in respect of stock from us. See “Section 8. Certain U.S. Federal Income Tax Consequences” for a more detailed discussion of the tax treatment of the Offer. **We urge you to consult with your own tax advisor as to the particular tax consequences to you of the Offer.**

Q. ***How will I be taxed for U.S. federal income tax purposes if I tender Options? (Page 17)***

A. Our purchase of Options from you pursuant to the Offer will be a taxable transaction for U.S. federal income tax purposes. If you are an employee, the cash you receive for your tendered Options pursuant to the Offer will be treated as ordinary compensation income, and the amount payable to you in the Offer will be subject to U.S. federal, and possibly also state and local, withholding. See “Section 8. Certain U.S. Federal Income Tax Consequences” for a more detailed discussion of the tax treatment of the Offer. **We urge you to consult with your own tax advisor as to the particular tax consequences to you of the Offer.**

Q. ***Who do I contact if I have questions about the Offer? (Back Cover)***

A. For additional information or assistance, you may contact the Information Agent:

Mellon Investor Services LLC
44 Wall Street
7th Floor
New York, NY 10005

Call Toll Free: (800) 549-9249

SPECIAL NOTE REGARDING FORWARD LOOKING STATEMENTS

This Offer to Purchase contains forward-looking statements, with respect to the Offer and our financial condition, results of operations, objectives, future performance and business.

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. The following factors could cause our actual results to differ materially from those implied by the forward-looking statements in this Offer to Purchase:

- our ability to continue to recruit and retain qualified temporary healthcare professionals and to attract and retain operational personnel;
- our ability to enter into contracts with hospitals and other healthcare facility clients on terms attractive to us and to secure orders related to those contracts;
- the attractiveness to hospitals and healthcare facility clients of our services;
- changes in the timing of hospital and healthcare facility clients’ orders for and our placement of temporary healthcare professionals;
- the general level of patient occupancy at our hospital and healthcare facility clients’ facilities;
- the overall level of demand for services offered by temporary healthcare staffing providers;
- increased utilization of permanent staff by our hospital and healthcare facility clients;
- our ability to successfully implement our acquisition and integration strategies;
- the effect of existing or future government regulation of the healthcare industry, and our ability to operate our business in compliance with these regulations;
- the impact of medical malpractice and other claims asserted against us; and
- our ability to carry out our business strategy.

Other factors that could cause actual results to differ from those implied by the forward-looking statements contained in this Offer to Purchase are set forth in our Annual Report on Form 10-K for the year ended December 31, 2002. We do not intend to update the forward-looking statements in this Offer to Purchase, except as may be required under applicable securities laws or as set forth in the Tender Offer Statement on Schedule TO that contains this Offer to Purchase.

In addition, there are specific risks or uncertainties associated with our expectations with respect to the Offer, including:

- the market price of the Shares;
- the timing, completion or tax status of the Offer; and
- strategic decisions of management.

Further discussion of many of these factors is presented in the summary term sheet, the introduction, “Section 9. Purpose of the Offer; Certain Effects of the Offer,” “Section 10. Certain Information Concerning the Company” and “Section 13. Future Plans of the Company.” Our actual results, performance or achievements could differ materially from those expressed in, or implied by, forward-looking statements. Accordingly, we cannot assure that any of the events anticipated by forward-looking statements will occur, or if they do, what impact they will have on our results of operations and our financial condition.

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To the Holders of Securities
of AMN Healthcare Services, Inc.:

INTRODUCTION

We invite holders of our Shares to tender their Shares for purchase by us at a price of $18.00 per Share, net to the seller in cash, without interest. We also invite our employees who are holders of Options that were outstanding as of September 2, 2003 to tender each such Option for purchase by us at a price equal to $18.00, less the applicable exercise price of such Option, net to the seller in cash, without interest. We will purchase Securities whose purchase price does not exceed $180.0 million, in the aggregate. If more than $180.0 million in aggregate purchase price of Securities are tendered, the amount of Securities tendered by each holder will be subject to proration, as described in "Section 2. Procedures for Tendering Securities." We also reserve the right, in our sole discretion but subject to any applicable legal requirements, to purchase more than $180.0 million in aggregate purchase price of Securities in the Offer.

The Offer is not conditioned upon any minimum amount of Securities being tendered. The Offer is, however, subject to other specified conditions, including, without limitation, the availability of necessary financing for the Offer. See "Section 5. Certain Conditions to the Offer."

You should make your own decision whether to tender Securities and, if so, how many Securities to tender. Because our Board of Directors believes that the attractiveness of the Offer for each individual holder will depend upon that holder's own investment profile and objectives and other circumstances, neither we nor our Board of Directors make any recommendation as to whether you should tender any or all your Securities pursuant to the Offer.

In making your decision, you should consider our reasons for making this Offer, including the current market price of the Shares. See "Section 6. Price Range of Shares" and "Section 9. Purpose of the Offer; Certain Effects of the Offer."

As of September 2, 2003, there were 37,842,562 Shares issued and outstanding. As of September 2, 2003, there were outstanding options to acquire 6,541,689 Shares, of which 3,291,055 were exercisable and 3,138,030 were eligible to be tendered into the Offer. Assuming that the maximum amount of Shares were purchased in the Offer and no Options were purchased, those Shares would represent approximately 26.4% of the Shares outstanding as of September 2, 2003.

If, before the expiration date of the Offer (as described in "Section 1. Terms of the Offer; Expiration Date") more than $180.0 million in aggregate purchase price of Securities, or such greater amount of Securities as we may decide to purchase, are validly tendered and not properly withdrawn, we will, upon the terms and subject to the conditions of the Offer, accept Securities for purchase, on a pro rata basis, from all Securities validly tendered and not properly withdrawn. If proration of tendered Securities is required, we will determine the proration factor promptly after the expiration date. The proration factor for each holder tendering Securities will be based on the ratio that the aggregate purchase price for such Securities bears to the aggregate purchase price of all Securities validly tendered into the Offer and not withdrawn prior to the expiration date. If a holder of Options tenders Options with differing exercise prices, we will accept the tender of Options with the lowest exercise prices first. The HW Stockholders, which together owned approximately 46.7% of the outstanding Shares as of September 2, 2003, have informed us that they intend to tender all of their Shares in the Offer. In addition, some of our directors and executive officers and their related parties (other than the HW Stockholders) have advised us that they intend to tender in the Offer Securities with an expected aggregate purchase price of approximately $8.5 million. As a result, we expect that the amount of Securities that you tender will be subject to reduction through the proration procedures described in this Offer to Purchase, and this will likely be true even if we decide to increase the amount of Securities that we purchase pursuant to the Offer. All Shares not purchased pursuant to the Offer, including Shares not purchased because of proration, will be returned to the tendering holders at our expense. All Options not purchased pursuant to the Offer, including Options not purchased because of proration, will continue to be outstanding in accordance with their terms.

Tendering stockholders who have Shares registered in their name and who tender directly to the Depositary are not obligated to pay brokerage commissions, solicitation fees or, subject to Instruction 6 of the Letter of Transmittal, stock transfer taxes on the purchase of Shares by us. Stockholders who hold their Shares through a custodian should consult their custodian to determine whether any charges will apply if the custodian tenders the Shares on their behalf. We will pay all reasonable charges and expenses incurred by Mellon Investor Services LLC, which has been appointed as the Depositary and the Information Agent for the Offer. See "Section 16. Fees and Expenses."

Any tendering holder that is a U.S. person (including a resident alien) who fails to properly complete and sign the substitute Form W-9 that is included in the Letter of Transmittal may be subject to U.S. federal income tax backup withholding on the gross proceeds payable to such stockholder pursuant to the Offer unless such holder establishes that such holder is within the class of persons that is exempt from backup withholding (such as, among others, all corporations and certain foreign holders). In order for a foreign holder to qualify as an exempt recipient and, therefore, not subject to backup withholding, that holder must submit an IRS Form W-8BEN or other applicable form, signed under penalties of perjury attesting to that holder's exempt status. Holders are urged to consult their tax advisor regarding the applicability of backup withholding to them and the availability of any exemption from backup withholding as well as the procedure for obtaining such an exemption. See "Section 8. Certain U.S. Federal Income Tax Consequences." See also the Instructions of the Letter of Transmittal.

Our Shares are listed and traded on the NYSE under the symbol "AHS." We first publicly announced the Offer after the close of trading on the NYSE on August 28, 2003. On August 28, 2003, the last reported sale price of the Shares on the NYSE was $14.44 per Share. See "Section 6. Price Range of Shares." **We urge you to obtain current market quotations for the Shares.**

We urge you to read this Offer to Purchase and the related Letter of Transmittal carefully before deciding whether to tender your Securities.

THE OFFER

1. TERMS OF THE OFFER; EXPIRATION DATE.

Upon the terms and subject to the conditions of the Offer (including, if the Offer is extended or amended, the terms and conditions of such extension or amendment), we will accept for payment, and will pay for, up to $180.0 million in aggregate purchase price of Securities validly tendered prior to the expiration date (as defined below) and not properly withdrawn as described in "Section 3. Withdrawal Rights." The Offer is not conditioned upon any minimum amount of Securities being tendered. The Offer is, however, subject to certain other conditions, including, without limitation, the availability of financing necessary for the Offer. See "Section 5. Certain Conditions to the Offer." All Securities purchased pursuant to the Offer will be purchased at the offer price, net to the seller, in cash.

The term "expiration date" means 12:00 midnight, Eastern Time, on October 1, 2003, unless and until we, in our sole discretion, have extended the period during which the Offer is open, in which event the term "expiration date" means the latest time and date at which the Offer, as extended, expires. If the Offer is over-subscribed, Securities tendered before the expiration date will be subject to proration. The proration period will expire on the expiration date.

We reserve the right, in our sole discretion, at any time or from time to time, to extend the period of time during which the Offer is open by giving oral or written notice of the extension to the Depositary and making a public announcement of the extension. See "Section 15. Extension of the Offer; Termination; Amendments." We cannot guarantee, however, that we will exercise our right to extend the Offer. If we:

- increase or decrease the price to be paid for Securities or pay a dealer to solicit tenders; or
- increase or decrease the aggregate purchase price of Securities being sought;

and the Offer is scheduled to expire prior to expiration of a period ending on the tenth business day from the date that notice of this increase or decrease is first published, sent or given in the manner specified in "Section 15. Extension of the Offer; Termination; Amendments," then the Offer will be extended until the expiration of such ten business day period. For the purposes of the Offer, a "business day" means any day other than a Saturday, Sunday or Federal holiday and consists of the time period from 12:01 a.m. through 12:00 midnight, Eastern Time.

All Shares not purchased pursuant to the Offer, including Shares not purchased because of proration, will be returned to the tendering holders at our expense as promptly as practicable (which, in the event of proration, is expected to be approximately ten business days) following the expiration date. Options not purchased in the Offer, including those not purchased because of proration, will continue to be outstanding in accordance with their terms.

If the aggregate purchase price of Securities validly tendered and not properly withdrawn before the expiration date is less than or equal to $180.0 million (or such greater amount of Securities as we may elect to purchase pursuant to the Offer), we will purchase, upon the terms and subject to the conditions of the Offer, at the offer price all Securities so tendered and not properly withdrawn.

If the aggregate purchase price of Securities validly tendered and not properly withdrawn before the expiration date is greater than $180.0 million (or such greater amount of Securities as we may elect to purchase pursuant to the Offer), we will accept for purchase, upon the terms and subject to the conditions of the Offer, all Securities validly tendered and not properly withdrawn before the expiration date, on a *pro rata* basis with appropriate adjustments to avoid purchases of fractional Securities, as described below. Holders of fewer than 100 Securities will be prorated together with all other tendering holders.

Consequently, all of the Securities that a holder tenders in the Offer may not be purchased. The HW Stockholders, which together owned approximately 46.7% of the outstanding Shares as of September 2, 2003, have informed us that they intend to tender all of their Shares in the Offer. In addition, some of our directors and

executive officers and their related parties (other than the HW Stockholders) have advised us that they intend to tender in the Offer Securities with an expected aggregate purchase price of approximately $8.5 million. As a result, we expect that the amount of Securities you tender that we will accept will be subject to reduction through the proration procedures described in this Offer to Purchase. Proration will still likely occur even if we decide to increase the aggregate purchase price of Securities that we purchase pursuant to the Offer.

Proration

If proration of tendered Securities is required, we will determine the proration factor promptly after the expiration date. The proration factor for each holder tendering Securities will be based on the ratio that the aggregate purchase price for such Securities bears to the aggregate purchase price of all Securities validly tendered into the Offer and not withdrawn prior to the expiration date. If a holder of Options tenders Options with differing exercise prices, we will accept the tender of Options with the lowest exercise prices first. Because of the difficulty in determining the amount of Securities properly tendered and not properly withdrawn, we do not expect that we will be able to announce the final proration factor or commence payment for any Securities purchased pursuant to the Offer until approximately five business days after the expiration date. The preliminary results of any proration will be announced by press release as promptly as practicable after the expiration date. Holders of Securities may obtain preliminary proration information from the Information Agent and also may be able to obtain the information from their brokers.

Mailing

This Offer to Purchase and the related Letter of Transmittal will be mailed to recordholders of Shares whose names appear on our stockholder list and will be furnished, for subsequent transmittal to beneficial owners of Shares, to custodians whose names, or the names of whose nominees, appear on the stockholder list or, if applicable, who are listed as participants in a clearing agency's security position listing. This Offer to Purchase, the related Letter of Transmittal and an Election to Tender Options will also be mailed to holders of outstanding vested and exercisable Options whose exercise prices were less than $18.00 per Share as of September 2, 2003.

2. PROCEDURES FOR TENDERING SECURITIES.

Shares

Except as described below, in order for Shares to be validly tendered pursuant to the Offer, the Letter of Transmittal, properly completed and duly executed, together with any required signature guarantees (or, in the case of a book-entry transfer, an Agent's Message in lieu of the Letter of Transmittal) and any other documents required by the Letter of Transmittal, must be received by the Depositary at one of its addresses printed on the back cover of this Offer to Purchase and either:

- the certificates evidencing tendered Shares must be received by the Depositary at its address or these Shares must be tendered pursuant to the procedure for book-entry transfer described below and a Book-Entry Confirmation must be received by the Depositary (including an Agent's Message if the tendering stockholder has not delivered a Letter of Transmittal), in each case on or prior to the expiration date; or
- the tendering stockholder must comply with the guaranteed delivery procedures described below.

The term "Agent's Message" means a message, transmitted by electronic means to, and received by, the Depositary and forming a part of a Book-Entry Confirmation which states that The Depositary Trust Company ("DTC") has received an express acknowledgment from the participant in DTC tendering the Shares that are the subject of this Book-Entry Confirmation, that this participant has received and agrees to be bound by the terms of the Letter of Transmittal and that we may enforce this agreement against this participant.

Book-Entry Transfer. The Depositary will establish accounts with respect to the Shares at DTC for purposes of the Offer within two business days after the date of this Offer to Purchase. Any financial institution that is a participant in DTC's system may make a book-entry delivery of Shares by causing DTC to transfer these Shares into the Depositary's account in accordance with DTC's procedures for the transfer. However, although delivery of Shares may be effected through book-entry transfer at DTC, either the Letter of Transmittal, properly completed and duly executed, together with any required signature guarantees, or an Agent's Message in lieu of the Letter of Transmittal and any other required documents, must, in any case, be received by the Depositary at one of its addresses printed on the back cover of this Offer to Purchase prior to the expiration date, or the tendering stockholder must comply with the guaranteed delivery procedure described below. **Delivery of documents to DTC does not constitute delivery to the Depositary.**

Signature Guarantees. Signatures on all Letters of Transmittal must be guaranteed by a firm which is a member of the Security Transfer Agents Medallion Program or the New York Stock Exchange Medallion Guarantee Program (each, an "Eligible Institution"), except in cases where Shares are tendered:

- by a registered holder of Shares who has not completed either the box entitled "Special Payment Instructions" or the box entitled "Special Delivery Instructions" on the Letter of Transmittal; or
- for the account of an Eligible Institution.

If a certificate is registered in the name of a person other than the signatory of the Letter of Transmittal, or if payment is to be made, or a certificate not accepted for payment or not tendered is to be returned, to a person other than the registered holder(s), then the certificate must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name(s) of the registered holder(s) appear on the certificate, with the signature(s) on this certificate or stock powers guaranteed by an Eligible Institution. If the Letter of Transmittal or stock powers are signed or any certificate is endorsed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, these individuals should so indicate when signing and, unless waived by us, proper evidence satisfactory to us of their authority to so act must be submitted. See Instructions 1 and 5 of the Letter of Transmittal.

Guaranteed Delivery. If a stockholder desires to tender Shares pursuant to the Offer and the certificates evidencing his or her Shares are not immediately available or he or she cannot deliver the certificates and all other required documents to the Depositary prior to the expiration date, or he or she cannot complete the procedure for delivery by book-entry transfer on a timely basis, his or her Shares may nevertheless be tendered, provided that all the following conditions are satisfied:

- the tender is made by or through an Eligible Institution;
- a properly completed and duly executed Notice of Guaranteed Delivery, substantially in the form provided by us, is received prior to the expiration date by the Depositary as provided below; and
- the certificates (or a Book-Entry Confirmation) evidencing all tendered Shares, in proper form for transfer, in each case together with the Letter of Transmittal, properly completed and duly executed, with any required signature guarantees (or, in connection with a book-entry transfer, an Agent's Message), and any other documents required by the Letter of Transmittal are received by the Depositary within three NYSE trading days after the date of execution of the Notice of Guaranteed Delivery.

A "trading day" is any day on which the NYSE and banks in New York City are open for business.

The Notice of Guaranteed Delivery may be delivered by hand or mail or transmitted by facsimile transmission to the Depositary and must include a guarantee by an Eligible Institution in the form prescribed in the form of Notice of Guaranteed Delivery that we have made available.

In all cases, payment for Shares tendered and accepted for payment pursuant to the Offer will be made only after timely receipt by the Depositary of the certificates evidencing these Shares, or a Book-Entry Confirmation of the delivery of these Shares, and the Letter of Transmittal, properly completed and duly executed, with any required signature guarantees, and any other documents required by the Letter of Transmittal.

The method of delivery of certificates and all other required documents, including delivery through DTC, is at your own option and risk, and the delivery will be deemed made only when actually received by the Depositary. If delivery is by mail, we recommend that you use registered mail with return receipt requested, or an overnight courier, in either case, properly insured. In all cases, you should allow for sufficient time to ensure timely delivery.

Other Requirements. By executing the Letter of Transmittal as described above, a tendering stockholder irrevocably appoints our designees as his or her proxies, each with full power of substitution, in the manner described in the Letter of Transmittal, to the full extent of his or her rights with respect to the Shares tendered by him or her and accepted for payment by us (and with respect to any and all other Shares or other securities issued or issuable in respect of such Shares on or after the date of this Offer to Purchase). All these proxies will be considered coupled with an interest in the tendered Shares. This appointment will be effective when, and only to the extent that, we accept these Shares for payment. Upon acceptance for payment, all prior proxies given by the stockholder with respect to these Shares (and such other Shares and securities) will be revoked without further action, and no subsequent proxies may be given nor any subsequent written consent executed by the stockholder (and, if given or executed, will not be deemed to be effective) with respect thereto. Our designees will, with respect to the Shares for which the appointment is effective, be empowered to exercise all voting and other rights of the stockholder as they in their sole discretion may deem proper at any annual or special meeting of our stockholders or any adjournment or postponement of the meeting, by written consent in lieu of any such meeting or otherwise. We reserve the right to require that, in order for Shares to be deemed validly tendered, immediately upon our payment for such Shares, we must be able to exercise full voting rights with respect to these Shares.

Options

You should NOT send any option agreement relating to Options that you are tendering with your Election to Tender Options.

For a holder of Options to validly tender Options pursuant to the Offer, a properly completed and duly executed Election to Tender Options, or facsimile thereof with any other required documents, must be received by us at or prior to 12:00 midnight, Eastern Time, on the expiration date at the address or facsimile number provided in the Election to Tender Options. If we extend the Offer beyond that time, you may tender Options at any time until the extended expiration of the Offer. The tendering of Options pursuant to the Offer by the procedure set forth above will constitute your acceptance of the terms and conditions of the Offer.

The method of delivery of the Election to Tender Options and all other required documents is at your election and risk. Delivery of these documents will be deemed made only when we actually receive them. If you choose to deliver by mail, the recommended method is by registered mail with return receipt requested, properly insured. If you choose to deliver by facsimile, we recommend that you confirm our receipt of the facsimile transmission by calling us at the phone number set forth in the Election to Tender Options. In all cases, sufficient time should be allowed to ensure timely delivery. No alternative, conditional or contingent tenders of Options will be accepted.

All tendered Options that we accept for purchase in the Offer will be deemed canceled, for purposes of the option agreements governing such Options, as of the time we make payment for such Options. All other Options, including those we do not accept for purchase because of proration, will remain outstanding in accordance with their terms.

General

We will determine, in our sole discretion, questions as to the validity, form, eligibility (including time of receipt) and acceptance for payment of any tender of Securities which determination shall be final and binding on all parties. We reserve the absolute right to reject any and all tenders that we determine are not in proper form or the acceptance for payment of which may, in the opinion of our counsel, be unlawful. We also reserve the absolute right to waive any condition of the Offer or any defect or irregularity in the tender of any particular Securities or any particular holder, whether or not similar defects or irregularities are waived in the case of other holders, and our interpretation of the terms and conditions of the Offer will be final and binding on all persons. No tender of Securities will be deemed to have been validly made until all defects and irregularities have been cured or waived to our satisfaction. None of the Company, the Depositary, the Information Agent or any other person will be under any duty to give notification of any defects or irregularities in tenders or will incur any liability for failure to give any such notification.

Our acceptance for payment of Securities pursuant to any of the procedures described above will constitute a binding agreement between the tendering holder and us upon the terms and subject to the conditions of the Offer.

Any tendering holder that is a U.S. person (including a resident alien) who fails to properly complete and sign the substitute Form W-9 that is included in the Letter of Transmittal may be subject to U.S. federal income tax backup withholding on the gross proceeds payable to such holder pursuant to the Offer unless such holder establishes that such holder is within the class of persons that is exempt from backup withholding (such as, among others, all corporations and certain foreign holders). In order for a foreign holder to qualify as an exempt recipient and, therefore, not subject to backup withholding, that holder must submit an IRS Form W-8BEN or other applicable form, signed under penalties of perjury attesting to that holder's exempt status. Holders are urged to consult their tax advisor regarding the applicability of backup withholding to them and the availability of any exemption from backup withholding as well as the procedure for obtaining such an exemption. See "Section 8. Certain U.S. Federal Income Tax Consequences." See also the Instructions of the Letter of Transmittal.

3. WITHDRAWAL RIGHTS.

Tenders of Securities made pursuant to the Offer are irrevocable, except that tendered Securities may be withdrawn at any time prior to the expiration date and, unless we have accepted these tendered Securities for payment pursuant to the Offer, may also be withdrawn at any time after 12:00 midnight, Eastern Time, on October 29, 2003. If we extend the Offer, are delayed in our acceptance for payment of Securities or are unable to accept Securities for payment pursuant to the Offer for any reason, then, without prejudice to our rights under the Offer, the Depositary may, nevertheless, on our behalf, retain tendered Securities, and these tendered Securities may not be withdrawn except to the extent that tendering holders are entitled to withdrawal rights as described in this Section 3.

Withdrawals of tenders of Securities may not be rescinded, and Securities properly withdrawn will be deemed not validly tendered for purposes of the Offer. However, withdrawn Securities may be retendered by again following the procedures described in "Section 2. Procedures for Tendering Securities," at any time prior to the expiration date.

We will determine, in our sole discretion, all questions as to the form and validity (including time of receipt) of any notice of withdrawal whose determination will be final and binding. None of the Company, the Depositary, the Information Agent or any other person will be under a duty to give notification of any defects or irregularities in any notice of withdrawal or incur any liability for failure to give any such notification.

Shares

For a withdrawal of Shares to be effective and proper, a written or facsimile transmission notice of withdrawal must be timely received by the Depositary at one of its addresses printed on the back cover page of this Offer to Purchase. The notice of withdrawal must specify the name of the person who tendered the Shares to be withdrawn, the amount of Shares to be withdrawn and the name of the registered holder of the Shares to be withdrawn, if different from that of the person who tendered those Shares. If certificates evidencing Shares to be withdrawn have been delivered or otherwise identified to the Depositary, then, prior to the physical release of these certificates, the serial numbers shown on these certificates must be submitted to the Depositary and the signature(s) on the notice of withdrawal must be guaranteed by an Eligible Institution, unless these Shares to be withdrawn have been tendered for the account of an Eligible Institution. If Shares have been tendered pursuant to the procedure for book-entry transfer as set forth in "Section 2. Procedures for Tendering Securities," any notice of withdrawal must specify the name and number of the account at DTC to be credited with the withdrawn Shares or must otherwise comply with DTC's procedures.

Options

For a withdrawal of Options to be effective and proper, a written or facsimile transmission notice of withdrawal must be timely received by us at the address or facsimile number provided in the Election to Tender Options. The notice of withdrawal must be signed by the person who tendered the Options and have the following information to be considered properly completed: such person's name and the grant date, exercise price and number of options subject to the grant to be withdrawn.

4. ACCEPTANCE FOR PAYMENT AND PAYMENT FOR SECURITIES.

Upon the terms and subject to the conditions of the Offer (including, if the Offer is extended or amended, the terms and conditions of any such extension or amendment), we will accept for payment, and will pay for, promptly after the expiration date, Securities with an aggregate purchase price of up to $180.0 million that are validly tendered and not properly withdrawn prior to the expiration date. Subject to applicable rules of the SEC, we expressly reserve the right to delay acceptance for payment of, or payment for, Securities in order to comply in whole or in part with any other applicable law.

Shares

In all cases, payment for Shares tendered and accepted for payment pursuant to the Offer will be made only after timely receipt by the Depositary of:

- the certificates evidencing these Shares or timely confirmation (which we refer to as a "Book-Entry Confirmation") of a book-entry transfer of such Shares into the Depositary's account at DTC pursuant to the procedures set forth in "Section 2. Procedures for Tendering Securities;"
- the Letter of Transmittal, properly completed and duly executed, with any required signature guarantees or, in the case of a book-entry transfer, an Agent's Message (as described in "Section 2. Procedures for Tendering Securities") in lieu of the Letter of Transmittal; and
- any other documents required by the Letter of Transmittal.

Options

Payment for properly tendered Options accepted in accordance with the Offer will be made promptly after the expiration date.

General

For purposes of the Offer, we will be deemed to have accepted for payment, and thus purchased, Securities validly tendered and not properly withdrawn, if and when we give oral or written notice to the Depositary, as

agent for the tendering holders, of our acceptance for payment of those Securities pursuant to the Offer. Upon the terms and subject to the conditions of the Offer, payment for Securities accepted for payment pursuant to the Offer will be made by deposit of the offer price for those Securities with the Depositary, which will act as agent for tendering holders for the purpose of receiving payments from us and transmitting these payments to tendering holders whose Securities have been accepted for payment. Under no circumstances will interest on the offer price for Securities be paid, regardless of any delay in making such payment.

Payment for Securities may be delayed in the event of difficulty in determining the amount of Securities properly tendered or if proration is required. See "Section 1. Terms of the Offer; Expiration Date." In addition, if certain events occur, we may not be obligated to purchase Securities pursuant to the Offer. See "Section 5. Certain Conditions to the Offer."

We will pay or cause to be paid any stock transfer taxes with respect to the sale and transfer of any Securities to us or our order pursuant to the Offer. If, however, payment of the purchase price is to be made to, or a portion of the Securities delivered (whether in certificated form or by book-entry) but not tendered or not purchased are to be registered in the name of, any person other than the registered holder, or if tendered Securities are registered in the name of any person other than the person signing the Letter of Transmittal (unless this person is signing in a representative or fiduciary capacity), the amount of any stock transfer taxes (whether imposed on the registered holder, this other person or otherwise) payable on account of the transfer to this person will be deducted from the purchase price unless satisfactory evidence of the payment of these taxes, or exemption from these taxes is submitted. See Instruction 6 to the Letter of Transmittal.

If any tendered Shares are not accepted for payment for any reason pursuant to the terms and conditions of the Offer, or if certificates are submitted evidencing more Shares than are tendered, certificates evidencing unpurchased Shares will be returned, without expense to the tendering holder (or, in the case of Shares tendered by book-entry transfer into the Depositary's account at DTC pursuant to the procedure set forth in "Section 2. Procedures for Tendering Securities," those Shares will be credited to an account maintained at DTC), as promptly as practicable following the expiration or termination of the Offer. All Options not purchased pursuant to the Offer, including Options not purchased because of proration, will continue to be outstanding in accordance with their terms.

5. CERTAIN CONDITIONS TO THE OFFER.

Notwithstanding any other provision of the Offer, and in addition to (and not in limitation of) our right to extend, amend or terminate the Offer as set forth in "Section 15. Extension of the Offer; Termination; Amendments," we will not be required to accept for payment, purchase or pay for any Securities tendered, and may terminate or amend the Offer or may postpone the acceptance for payment of, or the purchase and the payment for Securities tendered, subject to Rule 13e-4(f) promulgated under the Exchange Act, if, at any time on or after September 4, 2003 and before the expiration of the Offer, any of the following events has occurred (or have been determined by us to have occurred):

- our lenders have not entered into an amended credit facility with us on terms acceptable to us, such amended credit facility shall not have become effective, or at least $145 million of funding under such amended credit facility, including a new $120 million term loan, shall not have become available to us as of the expiration date;
- our Board of Directors has not received an opinion as to the Company's capital surplus under Delaware law and solvency on the expiration date;
- any suit, action or proceeding before any court, agency, authority or other tribunal by any government or governmental, regulatory or administrative agency or authority or by any other person, domestic or foreign is threatened in writing or pending (a) challenging our acquisition of any Securities, seeking to restrain or prohibit our making or consummating by the Offer or otherwise relating to the Offer; or (b) which otherwise is reasonably likely to have a material adverse effect on us;

- any statute, rule, regulation, legislation, judgment, order or injunction is threatened in writing, proposed, sought, enacted, entered, enforced, promulgated, amended or issued with respect to, or deemed applicable to, or any consent or approval is withheld with respect to, us or otherwise relates in any manner to the Offer, in each case, by any government or governmental, regulatory or administrative agency or authority or by any other person, domestic or foreign that is reasonably likely to result, directly or indirectly, in any of the consequences referred to in the immediately preceding bullet above;
- any of the following events has occurred:
  - any general suspension of trading in, or limitation on prices for, securities on the NYSE for a period in excess of 24 hours (excluding suspensions or limitations resulting solely from physical damage or interference with such exchange or market not related to market conditions);
  - any suspension of, or material limitation on, the markets for U.S. currency exchange rates;
  - a declaration of a banking moratorium or any suspension of payments in respect of banks in the United States;
  - any limitation (whether or not mandatory) by any government or governmental, regulatory or administrative agency or authority or by any other person, domestic or foreign, on, or other event that would reasonably be expected to materially adversely affect, the extension of credit by U.S. banks or other U.S. lending institutions;
  - a commencement or escalation of a war or armed hostilities or other national or international calamity directly or indirectly involving the United States that would reasonably be expected to have a material adverse effect on the financial markets in the United States;
  - any significant decrease in the market price of the Shares;
  - any decline in either the Dow Jones Industrial Average or the S&P 500 Composite Index by an amount in excess of 20% measured from the close of business on September 3, 2003; or
  - in the case of any of the foregoing existing on the date of this Offer to Purchase, a material acceleration or worsening thereof;
- any tender or exchange offer with respect to the Securities (other than this Offer), or any merger, acquisition, business combination or other similar transaction with or involving us, has been proposed, announced or made by any person or entity;
- any change has occurred or be threatened in, or any adverse development has arisen concerning, our business, condition (financial or otherwise), income, operations or prospects, in any case (individually or in the aggregate) which is reasonably likely to have a materially adverse effect on us or affect the anticipated benefits to us of acquiring Securities pursuant to the Offer;
- (i) any person, entity or "group" (as that term is used in Section 13(d)(3) of the Exchange Act) has acquired, or proposed to acquire, beneficial ownership of more than 5% of the outstanding Shares (other than a person, entity or group which had publicly disclosed such ownership in a Schedule 13D or 13G (or an amendment thereto) on file with the SEC prior to September 4, 2003); (ii) any new group has been formed that beneficially owns more than 5% of the outstanding Shares; or (iii) any person, entity or group has filed a Notification and Report Form under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, or made a public announcement reflecting an intent to acquire us or any of our assets or securities; or
- there is a reasonable likelihood that the purchase of Securities pursuant to the Offer will cause the Shares not continuing to be eligible to be listed on the NYSE or the Company not to be subject to the periodic reporting requirements of the Exchange Act.

The foregoing conditions are for our sole benefit and we may, in our exclusive judgment, assert or waive any of these conditions, other than those subject to applicable law, in whole or in part at any time and from time

to time prior to the expiration of the Offer. Our failure at any time prior to the expiration of the Offer to exercise any of the foregoing rights will not be deemed a waiver of any of these rights, the waiver of any of these rights with respect to particular facts and circumstances will not be deemed a waiver with respect to any other facts and circumstances and each of these rights, other than those subject to applicable law, will be deemed an ongoing right that may be asserted at any time and from time to time prior to the expiration of the Offer.

6. PRICE RANGE OF SHARES.

The Shares have traded on the NYSE under the symbol "AHS" since our initial public offering on November 13, 2001. Prior to that time there was no public trading market for our common stock. The following table sets forth, for the calendar quarters indicated, the high and low sale prices per Share as reported on the NYSE.

	High	Low
2001		
Fourth Quarter (since November 13, 2001)	$ 27.90	$ 21.00
2002		
First Quarter	$ 28.40	$ 20.50
Second Quarter	$ 37.40	$ 26.00
Third Quarter	$ 35.06	$ 17.50
Fourth Quarter	$ 21.80	$ 13.41
2003		
First Quarter	$ 18.95	$ 9.25
Second Quarter	$ 13.09	$ 8.90
Third Quarter (through August 28, 2003)	$ 15.12	$ 12.20

We first publicly announced the Offer after the close of trading on the NYSE on August 28, 2003. On August 28, 2003, the last reported sale price of the Shares was $14.44. We have not historically paid dividends on our common stock and we expect our amended credit facility to limit our ability to pay dividends. **We urge you to obtain current market quotations for the Shares.**

7. SOURCE AND AMOUNT OF FUNDS.

We expect that the maximum aggregate cost of purchasing the Securities, including all fees and expenses applicable to the Offer, will be approximately $185.0 million. We anticipate that the source of the funds necessary to purchase Securities tendered in the Offer, as well as to pay related fees and expenses, will be approximately $40 million of cash on hand, approximately $25 million of revolving borrowings and approximately $120 million of new term borrowings under our existing credit facility, as we propose to amend it.

Under our existing revolving credit facility, we have $75.0 million in borrowing capacity. The facility has a maturity date of December 31, 2006 and contains a letter of credit sub-facility and a swing-line loan sub-facility. Borrowings under our existing revolving credit facility bear interest at floating rates based upon either a LIBOR or prime interest rate option selected by us, plus a spread. The credit agreement governing our existing facility contains financial compliance covenants, including a minimum fixed charge coverage ratio, a maximum leverage ratio and has other customary covenants. As of September 2, 2003, we had no borrowings outstanding under our existing credit facility.

In connection with and as a condition to the Offer, we intend to enter into an amendment to our existing credit facility with a syndicate of financial institutions led by Bank of America, N.A. to permit the Offer to be completed and to provide for, among other things, the existing $75.0 million secured revolving facility, letter of credit sub-facility and swing-line facility and a new $120.0 million secured term loan facility maturing in 2008. There will be no mandatory reductions in availability under the revolving credit facility. We will be required to make annual mandatory amortization payments on the term loan of $6.0 million, beginning in 2004. We expect

to have approximately $50.0 million available under our revolving credit facility after completion of the Offer. On August 28, 2003, we signed a commitment letter with Bank of America, N.A. relating to the amended credit facility.

We expect borrowings under our amended revolving credit facility and new term facility to bear interest at varying rates equal to a percentage amount over LIBOR or a base rate, at our option. The amended credit agreement will require that at least 50% of the principal amount of the term loan outstanding at the time of funding be subject to hedging agreements to protect against interest rate risk for the first two years, and we may enter into additional hedging agreements to protect against interest rate risk. As is the case with our existing credit agreement, we expect our obligations under our amended credit facility to be secured by a perfected first priority security interest in substantially all of our assets and certain of our subsidiaries' assets and jointly and severally guaranteed by certain of our subsidiaries.

As is the case with our existing credit agreement, we expect that the credit agreement governing our amended credit facility will contain financial compliance covenants, including a minimum fixed charge coverage ratio and a maximum leverage ratio, as well as customary events of default. Similar to our existing credit agreement, it is likely that our amended credit agreement will contain covenants that limit our ability to:

- incur debt (including subordinated debt);
- repurchase our capital stock (although repurchases in the Offer will be permitted);
- incur liens or other encumbrances;
- merge, consolidate or sell substantially all our property or business;
- sell assets, other than inventory;
- make investments or acquisitions;
- make capital expenditures;
- enter into an unrelated line of business; and
- pay dividends.

Our amended credit agreement will also contain a provision that requires us to reduce our term and/or revolving borrowings with a portion of our "excess cash flow" (as defined in the amended credit agreement).

The Offer is conditioned upon our lenders agreeing to enter into the amended credit facility with us on terms acceptable to us, such amended credit facility becoming effective, and at least $145 million of funding under such amended credit facility, including the $120 million new term loan, becoming available to us on the expiration date. See "Section 5. Certain Conditions to the Offer." We do not have alternate financing arranged to complete the Offer in the event this does not occur. We have no plans or arrangements to refinance or repay the loans under the amended credit facility other than pursuant to its terms.

8. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES.

The following is a general summary of the material U.S. federal income tax consequences to certain holders (as defined below) whose Securities are purchased by us pursuant to the Offer. The discussion below is based upon the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), U.S. Treasury regulations, judicial opinions, published positions of the U.S. Internal Revenue Service (the "IRS") and other applicable authorities, all as in effect on the date of this Offer to Purchase and all of which are subject to differing interpretations or change, possibly with retroactive effect, which could result in federal income tax consequences that are materially different from those discussed below. This summary does not address all aspects of U.S. federal income taxation that may be relevant to a holder in light of their particular circumstances and is limited to holders that hold the Securities as capital assets within the meaning of Section 1221 of the Code. This summary does not deal with foreign, state, local, estate or gift tax consequences that may be relevant to holders in light of

their personal circumstances. In addition, this summary does not address the tax treatment of special classes of holders, such as banks, insurance companies, tax-exempt entities, financial institutions, broker-dealers, persons holding Securities as part of a hedging or conversion transaction or as part of a "straddle," persons subject to the alternative minimum tax, or U.S. expatriates. We have not sought, and will not seek, any ruling from the IRS or opinion of counsel with respect to the tax consequences discussed in this Offer to Purchase. Consequently, the IRS may disagree with or challenge any of the tax consequences discussed in this Offer to Purchase.

For purposes of this summary, a "U.S. holder" means a beneficial owner of Securities who is, for U.S. federal income tax purposes:

- a citizen or individual resident of the United States;
- a corporation, including any entity treated as a corporation for U.S. tax purposes, or partnership, including any entity treated as a partnership for U.S. tax purposes, created or organized in or under the laws of the United States or any political subdivision thereof;
- an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust, (i) that is subject to the primary supervision of a U.S. court and that has one or more U.S. persons who have the authority to control all substantial decisions of the trust; or (ii) that has validly elected to be treated as a U.S. person for U.S. federal income tax purposes under applicable Treasury regulations.

As used in this summary, the term "non-U.S. holder" means a beneficial owner of Securities who is not a U.S. holder.

We urge you to consult your own tax advisor concerning the U.S. federal, state, local, estate or gift tax consequences of you of tendering Securities pursuant to the Offer in light of your particular situation as well as any consequences arising under the laws of any other taxing jurisdiction or under any applicable tax treaty.

Consequences of the Offer to U.S. Holders of Shares

Characterization of the Purchase—Distribution vs. Sale Treatment. Our purchase of Shares from a U.S. holder pursuant to the Offer will be a taxable transaction for U.S. federal income tax purposes. As a consequence of any such purchase, a U.S. holder will, depending on the U.S. holder's particular circumstances, be treated either as having sold the U.S. holder's Shares or as having received a distribution in respect of such U.S. holder's Shares. The purchase of Shares pursuant to the Offer will be treated as a sale if a U.S. holder meets any of the three tests discussed below (the "Section 302 tests"). The purchase will be treated as a distribution if the U.S. holder does not satisfy any of these tests.

We cannot predict whether any particular U.S. holder will be subject to sale or distribution treatment. Given the HW Stockholders' intention to tender all of their Shares, the Offer is likely to be oversubscribed. Therefore, the likely proration of tenders pursuant to the Offer will cause us to accept from each stockholder fewer Shares than are tendered by the stockholder. Consequently, we can give no assurance that a sufficient number of any particular U.S. holder's Shares will be purchased pursuant to the Offer to ensure that this purchase will be treated as a sale or exchange, rather than as a distribution, for U.S. federal income tax purposes pursuant to the rules discussed below.

A U.S. holder that satisfies any of the Section 302 tests explained below will be treated as having sold the Shares purchased by us pursuant to the Offer and will recognize capital gain or loss in an amount equal to the difference between the amount of cash received under the Offer and the U.S. holder's tax basis in such Shares. This capital gain or loss will be long-term capital gain or loss if the U.S. holder held the Shares for more than one year as of the date of our purchase pursuant to the Offer. Currently the maximum long-term capital gain rate for

individual U.S. holders is 15%. Certain limitations apply to the deductibility of capital losses by U.S. holders. A U.S. holder must calculate gain or loss separately for each block of Shares (generally, shares acquired at the same cost in a single transaction) that we purchase from a U.S. holder under the Offer. A U.S. holder may be able to designate which blocks and the order of such blocks of Shares to be tendered pursuant to the Offer.

If a U.S. holder does not satisfy any of the Section 302 tests explained below, the full amount received by the U.S. holder with respect to our purchase of Shares under the Offer will be treated as a distribution to the U.S. holder with respect to the U.S. holder's Shares. This distribution will be treated as a dividend to the U.S. holder to the extent of the U.S. holder's share of our current and accumulated earnings and profits, if any, as determined under U.S. federal income tax principles. Such a dividend would be includible in the U.S. holder's gross income as ordinary income, currently taxable at a maximum rate for individual U.S. holders of 15% if certain holding period and other requirements are met, without reduction for the tax basis of the Shares exchanged, and no current loss would be recognized. As of the date of this Offer to Purchase, we believe that we have accumulated earnings and profits as of December 31, 2002 and that we will have current earnings and profits for 2003, but the total amount of such current and accumulated earnings and profits will be less than the aggregate amount that we will be paying for tendered Shares. We can give no assurance, however, that this will be the case. To the extent that the amount received by a U.S. holder exceeds the U.S. holder's share of our current and accumulated earnings and profits, the excess first will be treated as a tax-free return of capital to the extent, generally, of the U.S. holder's tax basis in all of its Shares and the U.S. holder's tax basis in all of its Shares will be reduced (but not below zero) by such excess. Any remainder will be treated as capital gain from the sale of Shares. To the extent that a tendering U.S. holder's tax basis in all of its Shares exceeds the amount treated as a tax-free return of capital, as described above, such excess will generally be added to the tax basis in any Shares retained by such holder. In October 2002, the Treasury Department proposed an amendment to the Treasury regulations that would change the rule described in the preceding sentence. In particular, rather than the basis of redeemed shares being added to the basis of remaining shares, the basis of such shares would be treated as giving rise to a loss at such time as the state of facts that caused the purchase to be treated as a distribution no longer exist (for example, when the tendering U.S. holder has completely terminated its ownership interest in the Company). Such proposed regulation is not, however, currently effective. Holders are urged to consult their tax advisors regarding the applicability and effect of this proposed regulation to them. To the extent that a corporate U.S. holder receives a dividend, as described above, it will be eligible for a dividends received deduction (subject to applicable limitations) and subject to the "extraordinary dividend" rules of the Code. Further, to the extent that our purchase of an individual U.S. holder's Shares under the Offer is treated as the receipt by the U.S. holder of a dividend taxed at the 15% rate described above, any loss on the sale or exchange of the individual U.S. holder's retained Shares will be treated as long-term capital loss to the extent of such dividend, even if such loss would not otherwise be so characterized.

Section 302 Tests—Determination of Sale or Distribution Treatment. Our purchase of Shares pursuant to the Offer will be treated as a sale of the Shares by a U.S. holder if any of the following Section 302 tests are satisfied:

- as a result of the purchase, there is a "complete redemption" of the U.S. holder's equity interest in the Company;
- as a result of the purchase, there is a "substantially disproportionate" reduction in the U.S. holder's equity interest in the Company; or
- the receipt of cash by the U.S. holder is "not essentially equivalent to a dividend."

As indicated above, if none of these tests is met with respect to a particular U.S. holder, then our purchase of Shares pursuant to the Offer will be treated as a distribution.

In applying the Section 302 tests, the constructive ownership rules of section 318 of the Code apply. Thus, a U.S. holder is treated as owning not only Shares actually owned by such holder but also Shares actually (and in some cases constructively) owned by certain related entities and individuals. Pursuant to the constructive ownership rules, a U.S. holder will be considered to own Shares owned, directly or indirectly, by certain

members of the holder's family and certain entities (such as corporations, partnerships, trusts and estates) in which the U.S. holder has an equity interest, as well as Shares which the U.S. holder has an option to acquire.

- *Complete Redemption.* Our purchase of Shares pursuant to the Offer will result in a "complete redemption" of a U.S. holder's equity interest in the Company, if, immediately after the sale, such holder owns, actually and constructively, no Shares. In applying the "complete redemption" test, certain U.S. holders may be able to waive the application of constructive ownership through the family attribution rules, provided that these holders comply with the provisions of section 302(c) of the Code and applicable Treasury regulations. U.S. holders wishing to satisfy the "complete redemption" test through satisfaction of the special conditions set forth in Section 302(c) of the Code should consult their tax advisors concerning the mechanics and desirability of those conditions.
- *Substantially Disproportionate.* In general, our purchase of a U.S. holder's Shares pursuant to the Offer will be "substantially disproportionate" as to a U.S. holder if, immediately after the purchase, the percentage of the outstanding Shares of the Company that the U.S. holder actually and constructively owns is less than 80% of the percentage of the outstanding Shares actually and constructively owned by the U.S. holder immediately before the purchase.
- *Not Essentially Equivalent to a Dividend.* Our purchase of a U.S. holder's Shares pursuant to the Offer will be treated as "not essentially equivalent to a dividend" if it results in a "meaningful reduction" in the U.S. holder's proportionate interest in the Company, given the U.S. holder's particular facts and circumstances. The IRS has indicated in published rulings that even a small reduction in the percentage interest of a stockholder whose relative stock interest in a publicly held corporation is minimal and who exercises no control over corporate affairs should constitute a "meaningful reduction." U.S. holders who intend to qualify for sale treatment by demonstrating that the proceeds received from us are "not essentially equivalent to a dividend" are strongly urged to consult their tax advisor because this test will be met only if the reduction in such holder's proportionate interest in us is "meaningful" given the particular facts and circumstances of the holder in the context of the Offer.

If a U.S. holder sells Shares to persons other than us, gain or loss recognized on such sales will be capital gain or loss and will be long-term capital gain or loss if the holder held the Shares for more than one year at the date of the sale. If such sale occurs at or about the time such holder also sells Shares pursuant to the Offer, and the various sales effected by the U.S. holder are part of an overall plan to reduce or terminate such holder's proportionate interest in us, then the sales to persons other than us may, for federal income tax purposes, be integrated with the U.S. holder's exchange of Shares pursuant to the Offer and, if integrated, should be taken into account in determining whether such holder satisfies any of the Section 302 tests with respect to Shares sold to us.

Consequences to U.S. holders who do not tender Shares pursuant to the Offer. U.S. holders who do not tender Shares pursuant to the Offer will not incur any U.S. federal income tax liability as a result of the consummation of the Offer.

Consequences of the Offer to Non-U.S. Holders of Shares

Characterization of the Purchase—Distribution vs. Sale Treatment. The U.S. federal income tax treatment of our purchase of Shares from a non-U.S. holder pursuant to the Offer will depend on whether such holder is treated, based on the non-U.S. holder's particular circumstances, as having sold the tendered Shares or as having received a distribution in respect of such non-U.S. holder's Shares. The appropriate treatment of our purchase of Shares from a non-U.S. holder will be determined in the manner described above (see "Consequences of the Offer to U.S. Holders; The Offer to Purchase Shares; Section 302 Tests.").

A non-U.S. holder that satisfies any of the Section 302 tests explained above will be treated as having sold the Shares purchased by us pursuant to the Offer. A non-U.S. holder will generally not be subject to U.S. federal income tax, including by way of withholding, on gain recognized on a sale of Shares unless any one of the following is true:

- the gain is effectively connected with the non-U.S. holder's conduct of a trade or business in the U.S. and, if an applicable tax treaty requires, attributable to a U.S. permanent establishment maintained by such non-U.S. holder;
- the non-U.S. holder is an individual who is present in the U.S. for 183 or more days in the taxable year of the sale pursuant to the Offer and certain other requirements are met; or
- our Shares constitute a United States real property interest by reason of our status as a "United States real property holding corporation" (a "USRPHC") for U.S. federal income tax purposes at any time during the shorter of (i) the period during which the non-U.S. holder holds Shares or (ii) the 5-year period ending on the date the non-U.S. holder disposes of Shares pursuant to the Offer and, assuming that our Shares are regularly traded on an established securities market for tax purposes, the non-U.S. holder held, directly or indirectly, at any time within the five-year period preceding such disposition more than 5% of such regularly traded Shares.

We believe that we are not currently and do not anticipate becoming a USRPHC.

Individual non-U.S. holders who are treated, for U.S. federal income tax purposes, as having sold their Shares to us pursuant to the Offer and that are present in the U.S. for 183 days or more during the year will be taxed on their gains from sale of Shares, net of applicable U.S. gains and losses from sale or exchanges of other capital assets incurred during the year, at a flat rate of 30%. Other non-U.S. holders who are treated as having sold their Shares to us pursuant to the Offer and that are subject to U.S. federal income tax on such sale generally will be taxed on such disposition in the same manner in which citizens or residents of the U.S. would be taxed.

If a non-U.S. holder does not satisfy any of the Section 302 tests explained above, the full amount received by the non-U.S. holder with respect to our purchase of Shares under the Offer will be treated a distribution to the non-U.S. holder with respect to the non-U.S. holder's Shares. The treatment, for U.S. federal income tax purposes, of such distribution as a dividend, a tax-free return of capital, or as a capital gain from the sale of Shares will be determined in the manner described above (see "Consequences of the Offer to U.S. Holders; The Offer to Purchase Shares; Characterization of the Purchase—Distribution vs. Sale Treatment."). To the extent that amounts received by a non-U.S. holder with respect to our purchase of Shares under the Offer are treated as a dividends, such dividends will generally be subject to withholding of U.S. federal income tax at the rate of 30% or such lower rate as may be specified by an applicable income tax treaty, provided we have received proper certification of the application of such income tax treaty. Non-U.S. holders should consult their tax advisors regarding their entitlement to benefits under an applicable income tax treaty and the manner of claiming the benefits of such treaty. A non-U.S. holder that is eligible for a reduced rate of U.S. federal withholding tax under an income tax treaty may obtain a refund or credit of any excess amounts withheld by filing an appropriate claim for a refund with the IRS. Amounts treated as dividends that are effectively connected with a non-U.S. holder's conduct of a trade or business in the U.S. or, if provided in an applicable income tax treaty, dividends that are attributable to a permanent establishment in the United States, are not subject to the U.S. withholding tax, but are instead taxed in the manner applicable to U.S. persons, as described above. In that case, we will not have to withhold U.S. federal withholding tax if the non-U.S. holder complies with applicable certification and disclosure requirements. In addition, dividends received by a foreign corporation that are effectively connected with the conduct of a trade or business in the U.S. may be subject to a branch profits tax at a 30% rate, or a lower rate specified in an applicable income tax treaty.

Consequences to non-U.S. holders who do not tender Shares pursuant to the Offer. Non-U.S. holders who do not tender Shares pursuant to the Offer will not incur any U.S. federal income tax liability as a result of the consummation of the Offer.

Considerations Relevant to U.S. and Non-U.S. Holders of Shares

Information Reporting and Backup Withholding. Payments in connection with the Offer may be subject to "backup withholding". Under the U.S. federal income tax backup withholding rules, a holder may be subject to backup withholding with respect to a payment of cash pursuant to the Offer unless the holder:

- is a corporation or comes within certain other exempt categories (including financial institutions, tax-exempt organizations and non-U.S. stockholders) and is able to demonstrate such status in accordance with applicable Treasury regulations**;** or
- provides a correct TIN and certifies, under penalties of perjury, that he or she is not subject to backup withholding, and otherwise complies with applicable requirements of the information reporting and backup withholding rules.

Any amount withheld under these rules will be creditable against the holder's U.S. federal income tax liability or refundable to the extent that it exceeds such liability if the holder provides the required information to the IRS. A holder that does not provide a correct TIN may also be subject to penalties imposed by the IRS in certain circumstances. Holders should consult their own tax advisors regarding the application of backup withholding in their particular circumstances and the availability of and procedure for obtaining an exemption from backup withholding under current Treasury regulations.

Consequences of the Offer to Holders of Options

Our purchase of Options from you pursuant to the Offer will be a taxable transaction for U.S. federal income tax purposes. If you are an employee, the cash you receive for your tendered Options pursuant to the Offer will be treated as ordinary compensation income, and the amount payable to you in the Offer will be subject to U.S. federal, and possibly also state and local, withholding.

If you do not tender your Options in the Offer, you will not have any U.S. federal income tax liability as a result of the consummation of the Offer. **If an Option holder intends to exercise an Option and tender Shares received on exercise in the Offer, the Option holder should consult his or her own tax advisor.**

The discussion above is included for general information only. You are advised to consult your own tax advisor regarding the U.S. federal, state, local, foreign, estate and gift tax consequences of exchanging Securities for cash pursuant to the Offer in light of your own particular circumstances.

9. PURPOSE OF THE OFFER; CERTAIN EFFECTS OF THE OFFER.

Purpose and Background of the Offer

Our Board of Directors met twice, on August 22, 2003 and August 27, 2003, to consider and evaluate the proposed Offer. At the meetings, the Board considered the cash position, capital structure, business and operations of the Company. The Board also considered the various possible alternative uses of the Company's cash other than the Offer, which included seeking acquisition opportunities, continuing the existing share repurchase program and declaring dividends. In its evaluation of the Offer, the Board also considered the sources of financing for the Offer as well as the valuation of the Company and methods for determining the purchase price in the Offer. An outside valuation firm was also engaged to deliver an opinion as to the solvency of the Company and the availability of capital surplus for dividends under the General Corporation Law of the State of Delaware. That firm delivered a favorable opinion at the August 27 meeting. After due consideration and discussion, at the August 27 meeting, the Board unanimously authorized the Company to make the Offer and enter into the transactions related to it, including the financing for the Offer.

As a result of its deliberations and its consideration of, among other things, the Offer, the report and opinion of the outside valuation firm and the financial position and operations of the Company, our Board of Directors

expects that we will have sufficient capital surplus under Delaware law to make the purchases of the Securities in the Offer. As of June 30, 2003, on a pro forma basis, after giving effect to the amendment of our credit facility and the transactions contemplated by the Offer, we would have had cash and cash equivalents of approximately $3.5 million, along with approximately $50.0 million of availability under our revolving credit facility. Our Board believes that, after the Offer, our cash flows from operations, cash on hand and available borrowings will provide sufficient working capital for our operations. For more information regarding the pro forma effect of the Offer and the amendment of our credit facility, please see the summary unaudited pro forma consolidated financial information contained in Section 10.

Under the terms of its engagement, the outside valuation firm that delivered its favorable opinion on August 27, 2003 is also required to deliver an updated opinion at the expiration date. Receipt of this opinion is a condition precedent to our obligation to purchase the Securities in the Offering. See “Section 5. Certain Conditions to the Offer.”

On August 28, 2003, we signed a commitment letter with our principal lender to provide financing for the Offer and announced that we intended to commence the Offer. For more information about the proposed financing arrangements, please see “Section 7. Source and Amount of Funds.”

Certain Effects of the Offer

This Offer allows stockholders an opportunity to:

- realize in cash, subject to proration, at least a portion of their investment in the Company;
- sell a portion of their Shares while retaining a continuing equity interest in the Company; and
- in some cases, sell Shares for cash without the usual transaction costs associated with open market sales.

This Offer also allows our employees who are holders of vested and exercisable Options to realize the equity value of their Options.

Our purchase of Shares pursuant to the Offer will reduce the number of Shares of our common stock that might otherwise trade publicly. As of August 28, 2003, the average daily trading volume over the past six months in our common stock has been approximately 334,000 Shares. It is possible that, depending on the number of Shares purchased from stockholders other than HW Stockholders, market activity in our common stock after the Offer will be less than it has been in recent times.

Stockholders who determine not to accept the Offer will realize a proportionate increase in their relative ownership interest in the Company. Stockholders may be able to sell non-tendered Shares in the future at a net price higher than the purchase price in the Offer. We can give no assurance, however, as to the price or prices at which a stockholder may be able to sell his or her Shares in the future, which may be higher or lower than the purchase price paid by us in the Offer.

Based on the published guidelines of the NYSE, we believe that our purchase of Shares pursuant to the Offer will not cause the remaining Shares to cease to be listed on the NYSE.

The Shares are registered under the Exchange Act, which requires, among other things, that we furnish certain information to our stockholders and to the SEC. We believe that our purchase of Shares pursuant to the Offer will not result in the Shares ceasing to be subject to the periodic reporting requirements of the Exchange Act.

The Shares are currently “margin securities” under the rules of the Federal Reserve Board. This has the effect, among other things, of allowing brokers to extend credit on the collateral of the Shares. Following the

repurchase of Shares pursuant to the Offer, the remaining Shares will continue to be "margin securities" for purposes of the Federal Reserve Board's margin regulations.

Our Board of Directors has authorized the Offer. However, neither we nor our Board of Directors make any recommendation to you as to whether to tender or refrain from tendering your Securities, and neither has authorized any person to make any recommendation. You are urged to evaluate carefully all information in the Offer, consult with your own investment and tax advisors and make your own decision whether to tender and, if so, how many Securities to tender.

10. CERTAIN INFORMATION CONCERNING THE COMPANY.

Our common stock trades on the NYSE under the symbol "AHS." Our principal offices are located at 12400 High Bluff Drive, Suite 100, San Diego, California 92130. Our telephone number is (858) 792-0711.

Recent Trends

From 1996 through 2000, temporary healthcare staffing industry revenue grew at a compound annual growth rate of 13%, and this accelerated to a compound annual growth rate of approximately 21% from 2000 to 2002. Recently, the demand for temporary healthcare professionals has declined due to a number of factors. In particular, we believe hospitals have increased their nurse recruitment and efforts to maximize the utilization of permanent staff and the cost-effectiveness of outsourced staffing solutions. In addition, because of the current economic conditions, we believe permanent staff at our hospital clients have been less likely to leave their positions, creating fewer vacancies and fewer opportunities for us to place our temporary healthcare professionals.

As a result of these factors, during the quarter ended June 30, 2003, our revenue and net income declined 4% and 10%, respectively, from the comparable period during 2002. We also expect our revenue and net income to decline during the quarter ended September 30, 2003 on a sequential and year-over-year basis. The declines in demand experienced in our industry during this year could also result in continued declines in revenue and net income in subsequent quarters. While the demand for our services has been relatively unchanged since April 2003, we ultimately expect demand for temporary healthcare professionals to increase over the long term due to demographic and other factors; however, no assurance can be given that the growth rate in the temporary healthcare staffing industry will return to the levels experienced in the past. This may adversely affect our future financial results.

Summary Historical Consolidated Financial Information

The summary historical consolidated financial information for our fiscal years 2002 and 2001 has been derived from our audited consolidated financial statements contained in our Annual Report on Form 10-K for our fiscal year ended December 31, 2002. This information should be read in conjunction with and is qualified in its entirety by reference to such audited financial statements and the related notes thereto. The summary historical consolidated financial information for the six months ended June 30, 2003 and 2002 has been derived from our unaudited consolidated financial statements contained in our Quarterly Report on Form 10-Q for the six months ended June 30, 2003. This information should be read in conjunction with and is qualified in its entirety by reference to such unaudited financial statements and the related notes thereto.

	Years Ended December 31,		Six Months Ended June 30,	
	2002	2001	2003	2002
	(dollars and shares in thousands, except per share data)			
Consolidated Statements of Operations:				
Revenue	$ 775,683	$ 517,794	$ 383,129	$ 365,191
Cost of revenue	586,900	388,284	296,387	276,602
Gross profit	188,783	129,510	86,742	88,589
Expenses:				
Selling, general and administrative (excluding non-cash stock-based compensation)	97,666	71,483	44,849	47,132
Non-cash stock-based compensation(1)	874	31,881	437	436
Amortization	369	5,562	191	174
Depreciation	3,470	2,151	2,074	1,428
Transaction costs(2)	139	1,955	—	139
Total expenses	102,518	113,032	47,551	49,309
Income from operations	86,265	16,478	39,191	39,280
Interest (income) expense, net	(343)	13,933	197	(151)
Income before income taxes and extraordinary item	86,608	2,545	38,994	39,431
Income tax expense	34,252	1,476	15,405	15,773
Income before extraordinary item	52,356	1,069	23,589	23,658
Extraordinary loss on extinguishment of debt, net of tax benefit	—	(5,455)	—	—
Net Income (loss)	$ 52,356	$ (4,386)	$ 23,589	$ 23,658
Net Income (loss) per common share:				
Basic	$ 1.23	$ (0.14)	$ 0.60	$ 0.56
Diluted	$ 1.12	$ (0.14)	$ 0.56	$ 0.50
Weighted average shares outstanding:				
Basic	42,534	30,641	39,056	42,443
Diluted	46,805	30,641	42,379	47,198
Other Data:				
Ratio of earnings to fixed charges(3)	64.8x	1.2x	59.9x	57.0x

(1) Non-cash stock-based compensation represents compensation expense related to our stock option plans to reflect the difference between the fair market value and the exercise price of stock options previously issued to our officers.

(2) Transaction costs represent costs incurred in connection with our initial public offering in 2001 and our acquisition of Healthcare Resource Management Corporation in 2002.

(3) For purposes of computing the ratio of earnings to fixed charges, earnings consists of earnings from continuing operations before income tax expense, plus fixed charges, less capitalized interest for all periods presented. Fixed charges consist of interest expense whether expensed or capitalized and the estimated interest component of rental expense.

	December 31, 2002	December 31, 2001	June 30, 2003
	(dollars in thousands, except per share data)		
Consolidated Balance Sheet Data:			
Cash, cash equivalents and short-term investments	$ 40,135	$ 31,968	$ 43,507
Total current assets	188,653	151,940	173,296
Noncurrent assets	160,121	156,989	163,494
Total assets	348,774	308,929	336,790
Current liabilities	51,348	35,462	51,568
Long-term debt	—	—	—
Total noncurrent liabilities	1,602	1,562	1,440
Stockholders' equity	295,824	271,905	283,782
Tangible book value per common share	$ 3.74	$ 4.66	$ 3.75

Summary Unaudited Pro Forma Consolidated Financial Information

The following summary unaudited pro forma consolidated financial information gives effect to:

- the acquisition of approximately 9.7 million Shares for an aggregate purchase price of $175.4 million;
- the acquisition and cancellation of approximately 349,000 Options for an aggregate purchase price of $4.6 million;
- the use of $40.0 million of cash on hand for the purchases of Securities;
- the incurrence of $120.0 million of indebtedness under our new term loan, bearing interest at an assumed rate of 6.5%, and the use of the proceeds therefrom for the purchases of Securities;
- the incurrence of $25.0 million of indebtedness under our amended revolving credit facility, bearing interest at an assumed rate of 6.5%, and the use of the proceeds therefrom for the purchases of Securities; and
- the payment of approximately $5.0 million of fees and expenses in connection with the Offer.

Our unaudited pro forma consolidated balance sheet is based on our historical balance sheet as of June 30, 2003 and has been prepared to reflect the transactions described above as if they had occurred on June 30, 2003. Our unaudited pro forma consolidated statements of operations are based on our historical statements of operations for the year ended December 31, 2002 and the six months ended June 30, 2003 and give effect to the transactions described above as if they had occurred on January 1, 2002. Our unaudited pro forma financial information should be read in conjunction with our historical financial statements and the notes thereto, which are incorporated by reference in this Offer to Purchase, as described below.

The unaudited pro forma consolidated financial information does not give effect to a non-recurring compensation charge of approximately $1.1 million related to the acquisition and cancellation of Options tendered in the Offer, which will be recognized upon completion of the Offer.

The unaudited pro forma financial information is intended for informational purposes only and is not necessarily indicative of our future financial position or future results of operations after the transactions described above, or our financial position or results of operations, respectively, had those transactions actually been effected on June 30, 2003 and January 1, 2002, respectively.

	Year Ended December 31, 2002		Six Months Ended June 30, 2003	
	Historical	Pro-Forma	Historical	Pro-Forma
	(dollars and shares in thousands, except per share data)			
Consolidated Statements of Operations:				
Revenue	$ 775,683	$ 775,683	$ 383,129	$ 383,129
Cost of revenue	586,900	586,900	296,387	296,387
Gross profit	188,783	188,783	86,742	86,742
Expenses:				
Selling, general and administrative (excluding non-cash stock-based compensation)	97,666	97,666	44,849	44,849
Non-cash stock-based compensation(1)	874	874	437	437
Amortization	369	369	191	191
Depreciation	3,470	3,470	2,074	2,074
Transaction costs(2)	139	139	—	—
Total expenses	102,518	102,518	47,551	47,551
Income from operations	86,265	86,265	39,191	39,191
Interest (income) expense, net	(343)	9,586	197	5,015
Income before income taxes	86,608	76,679	38,994	34,176
Income tax expense	34,252	30,330	15,405	13,502
Net Income	$ 52,356	$ 46,349	$ 23,589	$ 20,674
Net Income per common share:				
Basic	$ 1.23	$ 1.41	$ 0.60	$ 0.71
Diluted	$ 1.12	$ 1.26	$ 0.56	$ 0.64
Weighted average shares outstanding				
Basic	42,534	32,792	39,056	29,314
Diluted	46,805	36,743	42,379	32,398
Other Data:				
Ratio of earnings to fixed charges(3)	64.8x	7.8x	59.9x	7.2x

(1) Non-cash stock-based compensation represents compensation expense related to our stock option plans to reflect the difference between the fair market value and the exercise price of stock options previously issued to our officers.

(2) Transaction costs represent costs incurred in connection with our acquisition of Healthcare Resource Management Corporation in 2002.

(3) For purposes of computing the ratio of earnings to fixed charges, earnings consists of earnings from continuing operations before income tax expense, plus fixed charges, less capitalized interest for all periods presented. Fixed charges consist of interest expense whether expensed or capitalized and the estimated interest component of rental expense.

	June 30, 2003	
	Historical	Pro Forma
	(dollars in thousands, except per share data)	
Consolidated Balance Sheet Data:		
Cash, cash equivalents and short-term investments	$ 43,507	$ 3,507
Total current assets	173,296	133,296
Noncurrent assets	163,494	166,743
Total assets	336,790	300,039
Current liabilities	51,568	57,568
Long-term debt	—	139,000
Total noncurrent liabilities	1,440	140,440
Stockholders' equity	283,782	102,031
Tangible book value per common share	$ 3.75	$ (1.31)

Where You Can Find More Information

We have filed a Tender Offer Statement on Schedule TO with the SEC that includes additional information relating to the Offer. In addition, we file annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any of the information on file with the SEC at the following location:

Public Reference Room
450 Fifth Street, N.W.
Room 1200
Washington, D.C. 20549

Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. Our SEC filings are also available to the public from commercial document retrieval services and some of our SEC filings are available on the SEC's web site located at http://www.sec.gov/. In addition, our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to these reports, are made available, free of charge, through our website, www.amnhealthcare.com/investors, as soon as reasonably practicable after being filed with or furnished to the SEC.

Our common stock is listed on the NYSE. Reports and other information concerning the Company may be inspected at the offices of the NYSE, 11 Wall Street, New York, New York 10005.

Documents Incorporated by Reference

The SEC allows us to "incorporate by reference" information into this Offer to Purchase, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this Offer to Purchase, except for any information superseded by information in this Offer to Purchase or in any document subsequently filed with the SEC which is also incorporated by reference. This Offer to Purchase incorporates by reference the documents set forth below, including the exhibits that these documents specifically incorporate by reference, that we have previously filed with the SEC. These documents contain important information about us and our financial performance.

- Annual Report on Form 10-K for the year ended December 31, 2002 (as filed on March 19, 2003); and
- Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2003 and June 30, 2003 (as filed on May 14, 2003 and August 11, 2003, respectively).

You can obtain any of these documents from us or from the SEC's public reference facilities or web site at the addresses described above. These documents are available from us without charge. You can obtain any of

these documents by requesting them in writing or by telephone from us at 12400 High Bluff Drive, Suite 100, San Diego, California 92130, telephone: (866) 792-0711. Please be sure to include your complete name and address in your request. If you request any documents, we will mail them to you by first class mail, or another equally prompt means, within one business day after we receive your request. In addition, these documents are available, free of charge, on our website, www.amnhealthcare.com/investors.

11. INTERESTS OF DIRECTORS AND OFFICERS AND PRINCIPAL STOCKHOLDERS.

As of September 2, 2003, there were 37,842,562 Shares issued and outstanding. As of September 2, 2003, there were outstanding options to acquire 6,541,689 Shares of our common stock, of which 3,291,055 were exercisable and 3,138,030 were eligible to be tendered into the Offer. Assuming that the maximum amount of Shares were purchased in the Offer, those Shares would represent approximately 26.4% of the Shares outstanding as of September 3, 2003. The following table sets forth certain information as of September 2, 2003 regarding (i) each of our executive officers and directors, (ii) each person controlling us and (iii) all of our executive officers and directors as a group. To the best of our knowledge, each such person has sole voting and investment power over the Shares shown in this table, except as otherwise indicated.

Name	Number of Shares Beneficially Owned	Percent of Class
Robert B. Haas(1)	17,666,300	46.7%
HWH Capital Partners, L.P.	8,213,573	21.7%
HWH Nightingale Partners, L.P.	6,296,077	16.6%
HWP Nightingale Partners II, L.P.	2,269,949	6.0%
HWP Capital Partners II, L.P.	886,701	2.3%
Steven C. Francis(2)	2,155,143	5.4%
William F. Miller III(3)	177,544	*
Douglas D. Wheat(4)	—	—
Michael R. Gallagher(5)	1,800	*
Andrew M. Stern(6)	2,300	*
Susan R. Nowakowski(7)	315,841	*
Donald R. Myll(8)	153,242	*
All directors and executive officers as a group(9)	20,472,170	50.9%

* Less than 1%

(1) Represents Shares held by the following entities:

- 8,213,573 Shares held by HWH Capital Partners, L.P.
- 6,296,077 Shares held by HWH Nightingale Partners, L.P.
- 2,269,949 Shares held by HWP Nightingale Partners II, L.P.
- 886,701 Shares held by HWP Capital Partners II, L.P.

The ultimate general partner of each of these limited partnerships is either a limited liability company or a corporation, in each case controlled by Mr. Haas. By virtue of his control over each such limited liability company and corporation, Mr. Haas has sole voting and dispositive power over these 17,666,300 Shares. The address of each of the limited partnerships listed above is c/o Haas Wheat & Partners, L.P., 300 Crescent Court, Suite 1700, Dallas, Texas 75201.

(2) Includes 214,422 Shares owned by the Francis Family Trust dated May 24, 1996, of which Mr. Francis and his wife Gayle Francis are each Trustees, and 2,400 Shares held in the aggregate by the children of Mr. Francis in custodial accounts under the control of Mr. Francis and Gayle Francis. As a result, Mr. Francis has investment power over these Shares and is therefore deemed to have beneficial ownership of these Shares. Also includes 1,938,221 Shares deemed to be beneficially owned by reason of the right to acquire such Shares within 60 days of September 4, 2003. Mr. Francis' and the Francis Family Trust's address is c/o AMN Healthcare Services, Inc., 12400 High Bluff Drive, Suite 100, San Diego, California 92130.

(3) Mr. Miller's address is c/o Health Management Systems, Inc., 2100 McKinney, Suite 1801, Dallas, Texas 75201. Includes 1,800 Shares deemed to be beneficially owned by reason of the right to acquire such Shares within 60 days of September 4, 2003.

(4) Mr. Wheat's address is c/o Haas Wheat Partners, L.P., 300 Crescent Court, Suite 1700, Dallas, Texas 75201.

(5) Mr. Gallagher's address is c/o Playtex Products, Inc., 300 Nyala Farms Road, Westport, Connecticut 06880. Includes 1,800 Shares deemed to be beneficially owned by reason of the right to acquire such Shares within 60 days of September 4, 2003.

(6) Mr. Stern's address is c/o Sunwest Communications, Inc., 5956 Sherry Lane, Dallas, Texas 75225. Includes 1,800 Shares deemed to be beneficially owned by reason of the right to acquire such Shares within 60 days of September 4, 2003.

(7) Ms. Nowakowski's address is c/o AMN Healthcare Services, Inc., 12400 High Bluff Drive, Suite 100, San Diego, California 92130. Includes 315,541 Shares deemed to be beneficially owned by reason of the right to acquire such Shares within 60 days of September 4, 2003.

(8) Mr. Myll's address is c/o AMN Healthcare Services, Inc., 12400 High Bluff Drive, Suite 100, San Diego, California 92130. Includes 150,142 Shares deemed to be beneficially owned by reason of the right to acquire such Shares within 60 days of September 4, 2003.

(9) The percentage of outstanding Shares owned includes 17,666,300 Shares owned by the HW Stockholders and 214,422 Shares owned by the Francis Family Trust dated May 24, 1996. Includes 2,409,304 Shares deemed to be beneficially owned by reason of the right to acquire such Shares within 60 days of September 4, 2003.

Our directors, executive officers and their related parties may participate in the Offer on the same basis as our other stockholders. The HW Stockholders have informed the Company that they intend to tender all of their 17,666,300 Shares. Steven C. Francis has informed the Company that he does not intend to tender any of the Shares or Options he beneficially owns. Susan R. Nowakowski and Donald R. Myll have informed the Company that they intend to tender all of their Options and none of their Shares. William F. Miller III has informed the Company that he intends to tender all of his Shares. The purchase price of Ms. Nowakowski's Options, Mr. Myll's Options and Mr. Miller's Shares would be approximately $4.1 million, $1.2 million and $3.2 million, respectively, all of which we expect will be subject to significant proration on the same basis as tenders by other holders of Securities. Except as described in this paragraph, to our knowledge none of our other directors or affiliates currently intend to tender Shares or Options.

We also have a share repurchase program under which we have made a number of repurchases in the 60 days prior to the commencement of the Offer. See "Section 12. Transactions and Arrangements Concerning the Securities." Certain of our executive officers and directors have entered into stock option agreements and employment agreements with us. See "Section 12. Transactions and Arrangements Concerning the Securities." Except for outstanding options to purchase Shares granted to those persons, based upon our records and upon information provided to us by our directors and executive officers, to our knowledge, none of our directors or executive officers, nor any of their associates of any of the foregoing, has effected any transactions in the Securities during the 60 days prior to the date of the Offer.

12. TRANSACTIONS AND ARRANGEMENTS CONCERNING THE SECURITIES.

Registration Rights Agreement

In consideration for approving amendments to our certificate of incorporation and by-laws necessary to complete our initial public offering and amending their existing registration rights so that we may have a uniform set of registration rights, we entered into a registration rights agreement with the HW Stockholders, BancAmerica Capital Investors, Steven Francis and the Francis Family Trust upon the completion of our initial public offering in November 2001. Subject to several exceptions, including our right to defer a demand registration under certain circumstances, the HW Stockholders may require that we register for public resale under the Securities Act all Shares they request be registered at certain times, and BancAmerica Capital Investors

may require that we register for public resale under the Securities Act all Shares they request be registered at any time after one year following our initial public offering. The HW Stockholders may demand five registrations and BancAmerica Capital Investors may demand one registration, in each case so long as the securities being registered in each registration statement are reasonably expected to produce aggregate proceeds of $5 million or more. If we become eligible to register the sale of our securities on Form S-3 under the Securities Act, the HW Stockholders have the right to require us to register the sale of the common stock held by them on Form S-3, subject to offering size and other restrictions. BancAmerica Capital Investors, Steven Francis and the Francis Family Trust are entitled to piggyback registration rights with respect to any registration request made by the HW Stockholders, and the HW Stockholders, Steven Francis and the Francis Family Trust are entitled to piggyback registration rights with respect to the registration request made by BancAmerica Capital Investors. If the registration requested by the HW Stockholders or BancAmerica Capital Investors is in the form of a firm underwritten offering, and if the managing underwriter of the offering determines that the number of securities to be offered would jeopardize the success of the offering, the number of Shares included in the offering shall be determined as follows: (i) first, Shares offered by the HW Stockholders, BancAmerica Capital Investors, Steven Francis and the Francis Family Trust (*pro rata*, based on their respective ownership of our common equity), (ii) second, Shares offered by stockholders other than the HW Stockholders, BancAmerica Capital Investors, Steven Francis and the Francis Family Trust (*pro rata*, based on their respective ownership of our common equity) and (iii) third, Shares offered by the Company.

In addition, upon our initial public offering the HW Stockholders, BancAmerica Capital Investors, Steven Francis and the Francis Family Trust were granted piggyback rights on any registration for our account or the account of another stockholder. If the managing underwriter in an underwritten offering determines that the number of securities offered in a piggyback registration would jeopardize the success of the offering, the number of Shares included in the offering shall be determined as follows: (i) first, Shares offered by the Company for its own account and (ii) second, Shares offered by the stockholders (*pro rata*, based on their respective ownership of our common equity).

In connection the registrations described above, we have agreed to indemnify the HW Stockholders, BancAmerica Capital Investors, Steven Francis and the Francis Family Trust.

Share Repurchase Program

We have repurchased Shares in open market or in privately negotiated transactions from time to time pursuant to our share repurchase program. In November 2002, our Board of Directors authorized the repurchase of up to $100 million of Shares in open market or privately negotiated transactions from time to time through December 31, 2003. As of August 5, 2003, we had repurchased $73.7 million, including commissions, of Shares pursuant to this repurchase program. When we began evaluating the possibility of making the Offer, we suspended repurchases under the program.

The table below sets forth the repurchases by us of Shares under our share repurchase program during the last 60 days. All of the Shares were repurchased in open market transactions on the NYSE:

Settlement Date	Shares Purchased	Price Per Share
7/07/2003	8,000	$ 12.39
7/08/2003	8,000	12.39
7/09/2003	8,000	12.33
7/10/2003	7,700	12.93
7/11/2003	7,500	13.32
7/14/2003	7,300	13.52
7/15/2003	7,400	13.41
7/16/2003	7,100	14.01
7/17/2003	6,900	14.29
7/18/2003	6,800	14.60
7/21/2003	6,800	14.51
7/22/2003	6,900	14.39
7/23/2003	7,100	14.06
7/24/2003	7,200	13.71
7/25/2003	7,200	13.87
7/28/2003	7,100	13.96
7/29/2003	7,100	13.90
7/30/2003	7,200	13.82
7/31/2003	7,200	13.84
8/01/2003	7,100	13.98
8/04/2003	7,200	13.81
8/05/2003	7,000	14.14

Stock Option Plans

In July 2001, the Company's 2001 Stock Option Plan (the "2001 Plan") was established to provide a means to attract and retain employees. The maximum number of options to be granted under the 2001 Plan is 2,178,013. Subject to certain conditions, unless the 2001 Plan is otherwise modified, a maximum of 544,500 options may be granted to any one person in any calendar year. Exercise prices will be determined at the time of grant and will be no less than fair market value of the Shares. Unless otherwise provided at the time of the grant, the options vest and become exercisable in increments of 25% on each of the first four anniversaries of the date of grant. The 2001 Plan expires on July 23, 2011. At June 30, 2003, 98,981 Shares were reserved for future grants under the 2001 Plan.

In November 1999, the Company established two performance stock option plans, the 1999 Performance Stock Option Plan and the 1999 Super Performance Stock Option Plan (collectively, the "1999 Plans"), to provide for the grant of options to the Company's senior management. The number of Shares authorized for issuance under the 1999 Plans is 5,532,923. At June 30, 2003, 351,274 Shares were reserved for future grants under the 1999 Plans. The 1999 Plans terminate on November 18, 2009. Pursuant to the amended provisions of the 1999 Plans, all options granted prior to the Company's initial public offering under the 1999 Plans are fully vested. At least 50% of each holder's options became exercisable during 2002.

Employment and Severance Agreements

The Company is party to an employment agreement with Steven C. Francis which provides that Mr. Francis will serve as the Company's Chief Executive Officer and as a member of the Board of Directors until December 31, 2003 (and thereafter automatically for additional one-year periods unless either party gives prior written notice of its intent to terminate the agreement) or until the Company terminates his employment or he resigns, if earlier. The agreement provides that Mr. Francis will receive a base salary of $300,000 per year (increased annually at the discretion of the Board of Directors), an annual bonus opportunity subject to meeting

certain performance based criteria, participation in the Company's stock option plans, eligibility in the Company's employee benefit plans and other benefits provided in the same manner and to the same extent as to the Company's other senior management.

Mr. Francis's employment agreement provides that he will receive severance benefits if the Company voluntarily terminates his employment for any reason other than "cause" (as defined in the agreement), in the event of his disability or death or if he terminates his employment for "good reason" (as defined in the agreement). In the event of such termination, Mr. Francis or his estate, as applicable, will be entitled to any earned but unpaid base salary, an immediate lump sum severance payment of two years of base salary, plus his bonus for the year of termination. In addition, Mr. Francis has the right to resign for any reason or no reason within 90 days following a "change of control" (as defined in the agreement) and have such resignation be treated as "good reason."

Under some circumstances, amounts payable under Mr. Francis's employment agreement are subject to a full "gross-up" payment to make Mr. Francis whole in the event that he is deemed to have received "excess parachute payments" under Section 280G and 4999 of the Internal Revenue Code.

Mr. Francis's employment agreement also contains a confidentiality agreement and a covenant not to solicit during its term and for a period of two years thereafter.

The Company also is party to executive severance agreements with two executive officers, Susan R. Nowakowski and Donald R. Myll. These executives' severance agreements provide that they will receive severance benefits if the Company without cause (as defined in the agreements) terminates their at-will employment. Such benefits include cash payments over a 12-month period equal to their annual salary plus reimbursement for the COBRA costs for their health insurance for that 12-month period (or until the executive becomes eligible for comparable coverage under another employer's health plans, if earlier). Each executive severance agreement contains a requirement that the executive execute the Company's standard covenant not to solicit and general release of all claims form as a condition to receiving the severance payments.

Other Transactions and Arrangements

Except as otherwise described herein, neither we nor, to the best of our knowledge, any of our affiliates, directors or officers or any of the officers or directors of our affiliates, is a party to any contract, arrangement, understanding or relationship with any other person relating, directly or indirectly, to the Offer with respect to any of our securities (including, but not limited to, any contract, arrangement, understanding or relationship concerning the transfer or the voting of any such securities, joint ventures, loan or other option arrangements, puts or calls, guaranties of loan, guaranties against loss or the giving or withholding of any proxies, consents or authorizations).

13. FUTURE PLANS OF THE COMPANY.

In November 2002, our Board of Directors authorized the repurchase of up to $100 million of our common stock in open market or privately negotiated transactions. As of August 5, 2003, we had repurchased $73.7 million of Shares, including commissions, pursuant to this repurchase program. Subject to applicable securities laws, we may purchase additional Securities under this repurchase program after the Offer. See "Section 12. Transactions and Arrangements Concerning the Securities."

In addition, we may in the future purchase additional Securities in the open market, in private transactions, through additional tender offers or otherwise, subject to the approval of our Board of Directors. Future purchases may be on the same terms or on terms which are more or less favorable to stockholders than the terms of the Offer. Rule 13e-4 of the Exchange Act prohibits us and our affiliates from purchasing any Shares, other than pursuant to the Offer, until at least 10 business days after the Offer expires. Any future purchases by us will depend on many factors, including:

- the market price of the Shares;
- the results of this Offer;

- our business and financial position; and
- general economic and market conditions.

Our amended credit agreement will likely limit our ability to repurchase Shares. See “Section 7. Source and Amount of Funds.”

Shares that we acquire in the Offer will be restored to the status of authorized but unissued Shares and will be available for us to issue without further stockholder action (except as required by applicable law or rules or stock exchange regulations) for all purposes, including, but not limited to, the acquisition of other businesses, the raising of additional capital for use in our business and the satisfaction of obligations under existing or future employee benefit plans. We have no current plans for the reissuance of Shares we purchase pursuant to the Offer. Options we acquire in the Offer will be canceled.

The Board of Directors intends to increase the number of directors by one and to appoint Susan R. Nowakowski, our President, as a director.

Except as disclosed in this Offer to Purchase, we currently have no agreements that relate to or would result in:

- any extraordinary transaction, such as a merger, reorganization or liquidation, involving the Company or any of its subsidiaries;
- any purchase, sale or transfer of a material amount of assets of the Company or any of its subsidiaries;
- any material change in the present dividend rate or policy, or indebtedness or capitalization of the Company;
- any change in the present Board of Directors or management of the Company, including, but not limited to, any plans or proposals to change the number or the term of directors or to fill any existing vacancies on the Board or to change any material term of the employment contract of any executive officer;
- any other material change in the Company’s corporate structure or business;
- any class of equity securities of the Company to be delisted from the NYSE;
- any class of equity securities of the Company becoming eligible for termination of registration under Section 12(g)(4) of the Exchange Act;
- the suspension of the Company’s obligation to file reports under Section 15(d) of the Exchange Act;
- the acquisition by any person of additional securities of the Company, or the disposition of securities of the Company; or
- any changes in the Company’s charter, bylaws or other governing instruments or other actions that could impede the acquisition of control of the Company.

From time to time, we may propose or evaluate various strategic alternatives and potential acquisition transactions and hold informal discussions with various third parties regarding those transactions.

14. CERTAIN LEGAL MATTERS; REGULATORY APPROVALS.

To our knowledge, there is no license or regulatory permit that appears to be material to our business and that might be adversely affected by our acquisition of Securities pursuant to the Offer, or any approval or other action by any governmental, administrative or regulatory agency or authority, domestic or foreign, that would be required for the acquisition or ownership of Securities pursuant to the Offer. Should any such approval or other action be required, it is presently contemplated that such approval or action would be sought. While we do not currently intend to delay acceptance for payment of Securities tendered pursuant to the Offer pending the outcome of any matters, we cannot guarantee that any such approval or other action, if required, would be obtained without substantial conditions or that adverse consequences would not result to our business or that certain parts of our business would not have to be disposed of in the event that such approval were not obtained or such other actions were not taken or in order to obtain any such approval or other action.

Although we are authorized by the General Corporation Law of the State of Delaware to purchase or redeem our own Shares of capital stock, we may not do so except from the Company's "surplus," which is equal to the excess of the Company's net assets (defined as the excess of total assets over total liabilities) over the aggregate par value of the Shares. In connection with our Board of Directors' consideration of the Offer, an outside valuation firm delivered an opinion to the effect that the Company's net assets would exceed the total par value of the Company's issued Shares following the Offer.

15. EXTENSION OF THE OFFER; TERMINATION; AMENDMENTS.

We expressly reserve the right, in our sole discretion and at any time or from time to time, to extend the period of time during which the Offer is open by making a public announcement of the extension. We cannot guarantee, however, that we will exercise our right to extend the Offer. During any extension, all Securities previously tendered will remain subject to the Offer, except to the extent that Securities may be withdrawn as described in "Section 3. Withdrawal Rights." We also expressly reserve the right, in our sole discretion:

- to terminate the Offer and not accept for payment any Securities not previously accepted for payment or, subject to Rule 13e-4(f)(5) under the Exchange Act (which requires us either to pay the consideration offered or to return the Securities tendered promptly after the termination or withdrawal of the Offer), to postpone payment for Securities upon the occurrence of any of the conditions specified in "Section 5. Certain Conditions to the Offer," by making a public announcement of the termination; and
- at any time, or from time to time, regardless of the existence of any of the conditions specified in "Section 5. Certain Conditions to the Offer," to amend the Offer in any respect.

Amendments to the Offer may be effected by public announcement. Without limiting the manner in which we may choose to make a public announcement of any extension, termination or amendment, we will have no obligation (except as otherwise required by applicable law) to publish, advertise or otherwise communicate any public announcement of these events, other than by making a release to the Dow Jones news service, except in the case of an announcement of an extension of the Offer, in which case we will have no obligation to publish, advertise or otherwise communicate this announcement other than by issuing a notice of this extension by press release or other public announcement, which will be issued no later than 9:00 a.m., Eastern Time, on the next business day after the previously scheduled expiration date. Material changes to information previously provided to holders of the Securities in this Offer or in documents furnished subsequently will be disseminated to holders of Securities in compliance with Rule 13e-4(e)(3) under the Exchange Act.

If we materially change the terms of the Offer or the information concerning the Offer, or if we waive a material condition of the Offer, we will extend the Offer to the extent required by Rules 13e-4(d)(2) and 13e-4(e)(3) under the Exchange Act. Those rules require that the minimum period during which an Offer must remain open following material changes in the terms of the Offer or information concerning the Offer (other than a change in price, change in dealer's soliciting fee or change in percentage of securities sought) will depend on the facts and circumstances, including the relative materiality of the terms or information. In a published release, the SEC has stated that in its view, an offer should remain open for a minimum of five business days from the date that notice of material change is first published, sent or given. If we:

- increase or decrease the price to be paid for Securities or add a dealer's soliciting fee; or
- increase or decrease the amount of Securities being sought;

and the Offer is scheduled to expire at any time earlier than the expiration of a period ending on the tenth business day from the date that notice of the increase or decrease is first published, sent or given in the manner specified above, the Offer will be extended until the expiration of such ten business day period.

16. FEES AND EXPENSES.

Except as set forth below, we will not pay any fees or commissions to any broker, dealer or other person for soliciting tenders of Securities pursuant to the Offer.

We have retained Mellon Investor Services LLC as the Depositary and the Information Agent in connection with the Offer. The Information Agent may contact holders of Securities by mail, telephone, facsimile and personal interview and may request custodians to forward materials relating to the Offer to beneficial owners.

As compensation for acting as the Depositary and the Information Agent in connection with the Offer, Mellon Investor Services LLC will receive reasonable and customary compensation for its services and will also be reimbursed for certain out-of-pocket expenses and will be indemnified against certain liabilities and expenses in connection with the Offer, including certain liabilities under the federal securities laws. We will reimburse custodians for customary handling and mailing expenses incurred by them in forwarding material to their customers.

17. MISCELLANEOUS.

The Offer is being made to all holders of Securities. We are not aware of any jurisdiction where the making of the Offer is prohibited by administrative or judicial action pursuant to any valid state statute. If we become aware of any valid state statute prohibiting the making of the Offer or the acceptance of Securities pursuant to the Offer, we will make a good faith effort to comply with any such state statute or seek to have such statute declared inapplicable to the Offer. If, after this good faith effort, the Company cannot comply with any such state statute, the Offer will not be made to (nor will tenders be accepted from or on behalf of) the holders of Securities in such state. In any jurisdiction where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer will be deemed to be made on our behalf by one or more registered brokers or dealers licensed under the laws of such jurisdiction.

We have not authorized any person to give any information or make any representation on our behalf not contained in this Offer to Purchase or in the related Letter of Transmittal and, if given or made, such information or representation must not be relied upon as having been authorized.

We have filed with the SEC a Tender Offer Statement on Schedule TO, together with all exhibits, pursuant to Regulation M-A under the Exchange Act, furnishing certain additional information with respect to the Offer. The Schedule TO and any amendments to it, including exhibits, may be inspected and copies may be obtained from the offices of the SEC in the manner set forth in “Section 10. Certain Information Concerning the Company” (except that they will not be available at the regional offices of the SEC).

September 4, 2003 AMN HEALTHCARE SERVICES, INC.

Only manually signed copies of the Letter of Transmittal will be accepted. Letters of Transmittal and certificates for Shares should be sent or delivered by each stockholder or his or her broker, dealer, commercial bank, trust company or other nominee to the Depositary at one of its addresses set forth below:

The Depositary for the Offer is:

Mellon Investor Services LLC

By Registered or Certified Mail:	*By Overnight Courier:*	*By Hand:*
Attention: Reorganization Dept.	Attention: Reorganization Dept.	Attention: Reorganization Dept.
P.O. Box 3301	85 Challenger Road	120 Broadway
South Hackensack, NJ 07660	Mail Stop-Reorg	13th Floor
	Ridgefield Park, NJ 07660	New York, NY 10271

Any questions or requests for assistance or for additional copies of the Offer to Purchase, this Letter of Transmittal or the Notice of Guaranteed Delivery may be directed to the Information Agent. Stockholders may also contact their brokers, dealers, commercial banks, trust companies or other nominees for assistance concerning the Offer.

The Information Agent for the Offer is:

Mellon Investor Services LLC

85 Challenger Road
2nd Floor
Ridgefield Park, NJ 07660

Call Toll Free: (888) 689-1607

Letter of Transmittal

to

Tender Shares of Common Stock

of

AMN Healthcare Services, Inc.

Pursuant to the Offer to Purchase Dated September 4, 2003

THE OFFER, PRORATION PERIOD AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, EASTERN TIME, ON OCTOBER 1, 2003, UNLESS THE OFFER IS EXTENDED.

The Depositary for the Offer is:

Mellon Investor Services LLC

By Registered or Certified Mail:	*By Overnight Courier:*	*By Hand:*
Attention: Reorganization Dept.	Attention: Reorganization Dept.	Attention: Reorganization Dept.
P.O. Box 3301	85 Challenger Road	120 Broadway
South Hackensack, NJ 07660	Mail Stop-Reorg	13th Floor
	Ridgefield Park, NJ 07660	New York, NY 10271

Delivery of this instrument to an address other than those shown above does not constitute a valid delivery. The instructions accompanying this Letter of Transmittal should be read carefully before this Letter of Transmittal is completed.

DESCRIPTION OF SHARES TENDERED

Name(s) and Address(es) of Registered Holder(s) (if blank, please fill in exactly as name(s) appear(s) on Certificate(s))	**Shares Tendered For Certificates Tendered(1) (Attach Additional Signed List if Necessary.)**		
	Certificate Number(s)	**Total Number of Shares Evidenced by Certificate(s)**	**Number of Shares Tendered(2)**
INDICATE IN THIS BOX THE ORDER (BY CERTIFICATE NUMBER) IN WHICH SHARES ARE TO BE PURCHASED IN THE EVENT OF PRORATION (ATTACH ADDITIONAL SIGNED LIST IF NECESSARY)(1)(3):			
1ST:			
2ND:			Total Certificated Shares Tendered
3RD:			Total Shares Tendered by Book-Entry (DRS)
4TH:			Total Shares Tendered

(1) Need not be completed if shares are delivered by book-entry transfer.

(2) If you desire to tender fewer than all shares evidenced by any certificates listed, please indicate in this column the number of shares you wish to tender. Otherwise, all shares evidenced by such certificates will be deemed to have been tendered. See Instruction 4.

(3) If you do not designate an order, in the event that less than all shares tendered are purchased due to proration, shares will be selected for purchase by the Depositary.

This Letter of Transmittal is to be used only:

- if you are a registered owner of Shares and wish to effect the tender transaction yourself;
- if you intend to request your broker, dealer, commercial bank, trust company or other nominee to effect the transaction for you and the shares of common stock of AMN Healthcare Services, Inc., par value $0.01 per share ("Share"), are not registered in the name of such broker, dealer, commercial bank, trust company or other nominee; or
- by a broker, dealer, commercial bank, trust company or other nominee effecting the transaction as a registered owner of Shares or on behalf of a registered owner of Shares.

A properly completed and duly executed Letter of Transmittal (or a photocopy bearing original signature(s) and any required signature guarantees), any certificates representing Shares tendered and any other documents required by this Letter of Transmittal should be mailed or delivered to the Depositary at the appropriate address printed above and must be received by the Depositary prior to 12:00 midnight, Eastern Time, on October 1, 2003, or such later time and date to which the Offer is extended.

Stockholders whose stock certificates are not immediately available (or who cannot follow the procedure for book-entry transfer on a timely basis) or who cannot transmit this Letter of Transmittal and all other required documents to the Depositary before the expiration date (as defined in Section 1 of the Offer to Purchase) may nevertheless tender their Shares according to the guaranteed delivery procedure set forth in Section 2 of the Offer to Purchase. See Instruction 2.

Delivery of the Letter of Transmittal and the other required documents to the Depository Trust Company ("DTC") does not constitute delivery to the Depositary.

SPECIAL TENDER INSTRUCTIONS

☐ Check here if tendered Shares are being delivered by book-entry transfer made to an account maintained by the Depositary with DTC and complete the following:
Name of Tendering Institution: _____

DTC Participant Number: _____

Transaction Code Number: _____

If your certificates were lost, stolen, destroyed or mutilated, follow Instruction 12.

☐ Check here if certificates for tendered Shares are being delivered pursuant to a Notice of Guaranteed Delivery previously sent to the Depositary and complete the following:

Name(s) of the Registered Holder: _____

Window Ticket Number (if any): _____

Date of Execution of Notice of Guaranteed Delivery: _____

Name of Eligible Institution Which Guaranteed Delivery: _____

DTC Participant Number (if delivered by book-entry transfer): _____

Transaction Code Number (if delivered by book-entry transfer): _____

Note: Signatures must be provided below. Please read the accompanying instructions carefully.

Ladies and Gentlemen:

The undersigned hereby tenders to AMN Healthcare Services, Inc., a Delaware corporation (the "Company"), the above-described Shares at a price of $18.00 per Share, net to the seller in cash, without interest, upon the terms and subject to the conditions set forth in the Offer to Purchase dated September 4, 2003, receipt of which is hereby acknowledged, and in this Letter of Transmittal, which together constitute the "Offer."

Subject to and effective upon acceptance for payment of the Shares tendered with this Letter of Transmittal in accordance with the terms of the Offer (including, if the Offer is extended or amended, the terms or conditions of any extension or amendment), the undersigned hereby sells, assigns and transfers to or upon the order of the Company all right, title and interest in and to all the Shares tendered hereby, or orders the registration of such Shares delivered by book-entry transfer, that are purchased pursuant to the Offer and hereby irrevocably constitutes and appoints the depositary for the Offer, Mellon Investor Services LLC (the "Depositary"), the true and lawful agent and attorney-in-fact of the undersigned with respect to such Shares, with full power of substitution (the power of attorney being deemed to be an irrevocable power coupled with an interest), to:

- deliver certificates for such Shares, or transfer ownership of such Shares on the account books maintained by DTC, together, in any such case, with all accompanying evidence of transfer and authenticity, to or upon the order of the Company, upon receipt by the Depositary, as the undersigned's agent, of the purchase price with respect to such Shares;
- present certificates for such Shares for cancellation and transfer of such Shares on the Company's books; and
- receive all benefits and otherwise exercise all rights of beneficial ownership of such Shares, all in accordance with the terms of the Offer.

The undersigned hereby represents and warrants that:

- the undersigned has full power and authority to validly tender, sell, assign and transfer the Shares tendered hereby;
- the tender of Shares by the undersigned complies with Rule 14e-4 under the Securities Exchange Act of 1934;
- when and to the extent the Company accepts the Shares for purchase, the Company will acquire good, marketable and unencumbered title thereto, free and clear of all security interests, liens, charges, encumbrances, conditional sales agreements or other obligations relating to their sale or transfer, and not subject to any adverse claim;
- on request, the undersigned will execute and deliver any additional documents the Depositary or the Company deems necessary or desirable to complete the assignment, transfer and purchase of the Shares tendered hereby; and
- the undersigned agrees to all the terms and conditions of the Offer.

The undersigned understands that all Shares properly tendered and not properly withdrawn will be purchased at $18.00 per Share (or such other price that may be set forth in an amendment to the Offer), net to the seller in cash, without interest, upon the terms and subject to the conditions of the Offer, including the proration provision of the Offer and that the Company will promptly return, at the Company's expense, all other Shares, including Shares not purchased because of proration.

The undersigned understands that tenders of Shares pursuant to any one of the procedures described in Section 2 of the Offer to Purchase and in these instructions will constitute a binding agreement between the undersigned and the Company upon the terms and subject to the conditions of the Offer.

The undersigned recognizes that, under certain circumstances set forth in the Offer to Purchase, the Company may terminate or amend the Offer or may not be required to accept for payment any of the Shares tendered with this Letter of Transmittal or may accept for payment, *pro rata* with Shares or other securities subject to the Offer tendered by other holders, fewer than all the Shares tendered with this Letter of Transmittal.

All authority conferred or agreed to be conferred in this Letter of Transmittal shall survive the death or incapacity of the undersigned, and any obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned. Except as stated in the Offer, this tender is irrevocable.

Unless otherwise indicated under "Special Payment Instructions," please issue the check for the aggregate purchase price and/or return or issue the certificate(s) evidencing any Shares not tendered or not accepted for payment in the name(s) of the registered holder(s) appearing under "Description of Shares Tendered." Similarly, unless otherwise indicated under "Special Delivery Instructions," please mail the check for the aggregate purchase price and/or the certificate(s) evidencing any Shares not tendered or not accepted for payment (and accompanying documents, as appropriate) to the address(es) of the registered holder(s) appearing under "Description of Shares Tendered." In the event that both the "Special Delivery Instructions" and the "Special Payment Instructions" are completed, please issue the check for the aggregate purchase price and/or issue or return the certificate(s) evidencing any Shares not tendered or accepted for payment in the name(s) of, and deliver said check and/or certificate(s) to, the person or persons so indicated. In the case of book-entry delivery of Shares, please credit the account maintained at DTC with any Shares not accepted for payment. The undersigned recognizes that the Company has no obligation pursuant to the "Special Payment Instructions" to transfer any Shares from the name(s) of the registered holder(s) thereof if the Company does not accept for payment any of the Shares so tendered.

PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY

SPECIAL DELIVERY INSTRUCTIONS
(See Instructions 1, 4 and 8)

To be completed ONLY if the check for the aggregate purchase price of Shares purchased and/or certificates for Shares not tendered or not purchased are to be mailed to someone other than the undersigned or to the undersigned at an address other than that shown below the undersigned's signature (Taxpayer Identification Number). (See Substitute Form W-9 herein).

Mail ☐ check and/or
☐ certificate to:

Name: _____
(Please Print)

Address: _____

_____
(Include Zip Code)

_____

_____
Taxpayer Identification Number
(See Substitute Form W-9 Included Herein)

SPECIAL PAYMENT INSTRUCTIONS
(See Instructions 1, 4, 5, 6 and 8)

To be completed ONLY if the check for the aggregate purchase price of Shares purchased and/or certificates for Shares not tendered or not purchased are to be issued in the name of someone other than the undersigned

Issue any ☐ check and/or
☐ certificates to:

Name: _____
(Please Print)

Address: _____

_____
(Include Zip Code)

_____

_____
Taxpayer Identification Number
(See Substitute Form W-9 Included Herein)

SIGN HERE
AND COMPLETE ACCOMPANYING SUBSTITUTE FORM W-9
(See Instructions 1 and 5)

SIGNATURE(S) OF STOCKHOLDER(S) _____

(Must be signed by registered holder(s) exactly as name(s) appear(s) on stock certificate(s) or on a security position listing or by person(s) authorized to become registered holder(s) by certificates and documents transmitted herewith. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, agent, officer of a corporation or other person acting in a fiduciary or representative capacity, please set forth full title. See Instruction 5.)

Name(s) _____
(Please Print)

Capacity (full title) _____

Address _____
(Please Include Zip Code)

Area Code and Telephone Number _____

Taxpayer Identification Number _____
(See Instruction 10)

Dated _____, 2003

GUARANTEE OF SIGNATURE(S)
(If required—See Instructions 1 and 5)

AUTHORIZED SIGNATURE _____

Name _____
(Please Print)

Capacity (full title) _____

Name of Firm _____
(Name of Eligible Institution Guaranteeing Signatures)

Address _____
(Please Include Zip Code)

Area Code and Telephone Number _____

Dated _____, 2003

INSTRUCTIONS
FORMING PART OF THE TERMS AND CONDITIONS OF THE OFFER

1. Guarantee of Signatures. Except as otherwise provided below, all signatures on this Letter of Transmittal must be guaranteed by a financial institution (including most banks, savings and loan associations and brokerage houses) that is a participant in the Securities Transfer Agents Medallion Program or the New York Stock Exchange Medallion Signature Program (each such entity being hereinafter referred to as an "Eligible Institution"). Signatures on this Letter of Transmittal need not be guaranteed if (a) this Letter of Transmittal is signed by the registered owner of the Shares (which term, for purposes of this Letter of Transmittal, shall include any participant in DTC whose name appears on a security position listing as the owner of Shares) tendered herewith and such owner has not completed either of the boxes entitled "Special Payment Instructions" or "Special Delivery Instructions" on this Letter of Transmittal or (b) such Shares are tendered for the account of an Eligible Institution. See Instruction 5.

2. Delivery of Letter of Transmittal and Shares; Guaranteed Delivery Procedures. This Letter of Transmittal is to be used only if

- certificates are to be forwarded with it to the Depositary; or
- delivery of Shares is to be made by book-entry transfer pursuant to the procedure specified in Section 2 of the Offer to Purchase.

Certificates for all physically delivered Shares, or a confirmation of a book-entry transfer of all Shares delivered electronically into the Depositary's account at DTC, together in each case with a properly completed and duly executed Letter of Transmittal, with any required signature guarantees, and any other documents required by this Letter of Transmittal, must be received by the Depositary at one of its addresses printed on the front page of this Letter of Transmittal before the expiration date (as set forth in the Offer to Purchase). **Delivery of documents to DTC does not constitute delivery to the Depositary.**

Stockholders whose certificates are not immediately available (or who cannot follow the procedures for book-entry transfer on a timely basis) or who cannot transmit this Letter of Transmittal and all other required documents to reach the Depositary before the expiration date, may nevertheless tender their Shares pursuant to the guaranteed delivery procedure set forth in Section 2 of the Offer to Purchase. Pursuant to such procedure:

- such tender must be made by or through an Eligible Institution;
- the Depositary must receive (by hand, mail or facsimile transmission), before the expiration date, a properly completed and duly executed Notice of Guaranteed Delivery substantially in the form the Company has provided with the Offer to Purchase; and
- the certificates for all tendered Shares in proper form for transfer (or confirmation of a book-entry transfer of all such Shares into the Depositary's account at DTC), together with a properly completed and duly executed Letter of Transmittal and any other documents required by this Letter of Transmittal, must be received by the Depositary within three NYSE trading days after the date of execution of such Notice of Guaranteed Delivery, as provided in Section 2 of the Offer to Purchase.

The method of delivery of all documents, including stock certificates, the Letter of Transmittal and any other required documents, is at the election and risk of the tendering stockholder. If delivery is by mail, registered mail with return receipt requested, properly insured, is recommended.

Except as provided in the Offer to Purchase and this Letter of Transmittal, no alternative, conditional or contingent tenders will be accepted, and no fractional Shares will be purchased. By executing this Letter of Transmittal, each tendering stockholder waives any right to receive any notice of the acceptance of such stockholder's tender.

3. Inadequate Space. If the space provided in the box entitled "Description of Shares Tendered" is inadequate, the certificate numbers and/or the number of Shares should be listed on a separate signed schedule and attached to this Letter of Transmittal.

4. Partial Tenders and Unpurchased Shares. (Not applicable to stockholders who deliver Shares by book-entry transfer). If fewer than all the Shares evidenced by any certificate delivered to the Depositary are to be tendered, fill in the number of Shares that are to be tendered in the box entitled "Number of Shares Tendered." If these Shares are purchased, a new certificate for the remainder of the Shares evidenced by the old certificate(s) will be sent to and in the name of the registered holder(s) (unless otherwise specified by such holder(s) having completed either of the boxes entitled "Special Delivery Instructions" or "Special Payment Instructions" on this Letter of Transmittal) as soon as practicable following the expiration or termination of the Offer. All Shares represented by the certificate(s) listed and delivered to the Depositary will be deemed to have been tendered unless otherwise indicated.

5. Signatures on Letter of Transmittal; Stock Powers; Endorsements.

- If this Letter of Transmittal is signed by the registered holder(s) of the Shares tendered with this Letter of Transmittal, the signature(s) must correspond exactly with the name(s) as written on the face of the certificates without any change whatsoever;
- If any of the Shares tendered with this Letter of Transmittal are registered in the names of two or more joint owners, each such owner must sign this Letter of Transmittal;
- If any of the Shares tendered with this Letter of Transmittal are registered in different names on different certificates, it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are different registrations of certificates;
- If this Letter of Transmittal is signed by the registered holder(s) of the Shares tendered with this Letter of Transmittal, no endorsements of certificates or separate stock powers are required unless payment is to be made and/or certificates for Shares not tendered or not purchased are to be issued to a person other than the registered holder(s). If this Letter of Transmittal is signed by a person other than the registered holder(s) of the Shares tendered with this Letter of Transmittal, however, the certificates must be endorsed or accompanied by appropriate stock powers, in either case, signed exactly as the name(s) of the registered holder(s) appear on the certificates for such Shares. Signatures on any such certificates or stock powers must be guaranteed by an Eligible Institution. See Instruction 1; and
- If this Letter of Transmittal or any certificates or stock powers are signed by a trustee, executor, administrator, guardian, attorney-in-fact, agent, officer of a corporation or other person acting in a fiduciary or representative capacity, such person should so indicate when signing and proper evidence satisfactory to the Company of the authority of such person so to act must be submitted.

6. Stock Transfer Taxes. The Company will pay any stock transfer taxes with respect to the transfer and sale of Shares to it or its order pursuant to the Offer. If, however, payment of the aggregate purchase price is to be made to, or certificates for Shares not tendered or accepted for purchase are to be registered in the name of, any person other than the registered holder, or if tendered certificates are registered in the name of any person other than the person(s) signing this Letter of Transmittal, the amount of any stock transfer taxes (whether imposed on the registered holder or such person) payable on account of the transfer to such person will be deducted from the aggregate purchase price unless satisfactory evidence of payment of such taxes or exemption therefrom is submitted.

7. Irregularities. All questions as to the number of Shares to be accepted and the validity, form, eligibility (including time of receipt) and acceptance for payment of any tender of Shares will be determined by the Company, in its sole discretion, which determination shall be final and binding on all parties. The Company reserves the absolute right to reject any or all tenders determined by it not to be in proper form or the acceptance for payment of which may, in the opinion of the Company's counsel, be unlawful. The Company also reserves the absolute right to waive any of the conditions of the Offer and any defect or irregularity in the tender of any particular Shares. The Company's interpretation of the terms and conditions of the Offer (including these instructions) shall be final and binding on all parties. No tender of Shares will be deemed properly made until all defects or irregularities have been cured or waived. None of the Company, the Depositary, the Information Agent or any other person is or will be obligated to give notice of any defects or irregularities in tenders, and none of them will incur any liability for failure to give any such notice.

8. Special Payment and Delivery Instructions. If the check for the aggregate purchase price of any Shares purchased is to be issued to, or any Shares not tendered or not purchased are to be returned in the name of, a person other than the

person(s) signing this Letter of Transmittal or if the check or any certificates for Shares not tendered or not purchased are to be mailed to someone other than the person(s) signing this Letter of Transmittal or to the person(s) signing this Letter of Transmittal at an address other than that shown in the box entitled "Descriptions of Shares Tendered," the boxes entitled "Special Payment Instructions" and/or "Special Delivery Instructions" on this Letter of Transmittal should be completed.

9. Request for Assistance or Additional Copies. Requests for assistance or additional copies of the Offer to Purchase, this Letter of Transmittal or the Notice of Guaranteed Delivery may be directed to the Information Agent at its address or telephone number printed below.

10. Substitute Form W-9. Except as provided above under "Important Tax Information," each tendering stockholder that is a U.S. person (including a U.S. resident alien) is required to provide the Depositary with a correct TIN on substitute Form W-9 which is provided under "Important Tax Information" above. Failure to provide the information on the form may subject the tendering stockholder to federal back-up withholding on the gross amount of any payments made to the stockholder or other payee with respect to Shares purchased pursuant to the Offer and, in certain cases, penalties.

11. Non-U.S. Stockholder Withholding. In order for a foreign holder to qualify as an exempt recipient and, therefore, not subject to backup withholding, that holder must submit an IRS Form W-8BEN or other applicable form, signed under penalties of perjury attesting to that holder's exempt status. Failure to provide a properly completed IRS Form W-8BEN or other applicable form may subject a foreign holder to U.S. federal backup withholding. An IRS Form W-8BEN can be obtained from the Depositary.

12. Lost, Stolen, Destroyed or Mutilated Certificates. If any certificate(s) representing part or all of your Shares has been lost, stolen, mutilated or destroyed, you should promptly contact American Stock Transfer & Trust Company, in its capacity as transfer agent for the share certificate(s). A bond may be required to be posted by you to secure against the risk that the certificates may be subsequently recirculated. You are urged to contact the transfer agent immediately in order to receive an affidavit of loss, to determine as to whether you will need to post a bond and to permit the timely processing of these documents.

13. Order of Purchase in Event of Proration. Stockholders may designate the order in which their Shares are to be purchased in the event of proration. The order of purchase may have an effect on the federal income tax treatment of the purchase price for the Shares purchased. See Section 8 of the Offer to Purchase.

The Letter of Transmittal, certificates for Shares and any other required documents should be sent or delivered by each stockholder or such stockholder's broker, dealer, commercial bank, trust company or other nominee to the Depositary at one of its addresses set forth below.

IMPORTANT TAX INFORMATION

Under U.S. federal income tax law, a stockholder that is a U.S. person (including a U.S. resident alien) whose tendered Shares are accepted for payment is required to provide the Depositary with such stockholder's correct taxpayer identification number ("TIN") on the substitute Form W-9 below. If the Depositary is not provided with the correct TIN and an otherwise properly completed substitute Form W-9, such holder may be subject to backup withholding and, in certain cases, penalties.

Certain stockholders (including, among others, corporations and certain foreign individuals) are not subject to these backup withholding and reporting requirements and should indicate their status by writing "exempt" across the face of the substitute Form W-9. In order for a foreign individual to qualify as an exempt recipient, the stockholder must submit an IRS Form W-8BEN, or other appropriate form, signed under penalty of perjury, attesting to that individual's exempt status. An IRS Form W-8BEN can be obtained from the Depositary. Foreign holders are urged to consult their tax advisor regarding the applicability of backup withholding to them and the availability of any exemption from backup withholding as well as the procedure for obtaining such an exemption. See the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for more instructions.

If backup withholding applies, the Depositary is required to withhold, at the then applicable rate (currently 28%), from the gross amount of payments to be made to the stockholder or other payee pursuant to the Offer. Backup withholding is not an additional tax. Rather, the tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained from the IRS.

If the tendering stockholder has not been issued a TIN and has applied for a TIN or intends to apply for a TIN in the near future, the stockholder or other payee must also complete the Certificate of Awaiting Taxpayer Identification Number below in order to avoid backup withholding. Notwithstanding that the Certificate of Awaiting Taxpayer Identification Number is completed, the Depositary will withhold, at the specified rate, on all payments made prior to the time a properly certified TIN is provided to the Depositary.

The stockholder is required to give the Depositary the TIN (e.g., social security number or employer identification number) of the record owner of the Shares or of the last transferee appearing on the transfers attached to, or endorsed on, the certificates evidencing the Shares. If the Shares are registered in more than one name or are not registered in the name of the actual owner, consult the enclosed "Guidelines for Certification of Taxpayer Identification Number on substitute Form W-9" for additional guidance on which number to report.

TO BE COMPLETED BY STOCKHOLDERS THAT ARE U.S. PERSONS (INCLUDING U.S. RESIDENT ALIENS)
(See Instruction 11 and "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9")
PLEASE CAREFULLY READ THE IMPORTANT TAX INFORMATION BELOW

SUBSTITUTE
Form W-9
Department of the Treasury
Internal Revenue Service
Payer's Request for Taxpayer Identification Number (TIN)

PART I — PLEASE PROVIDE YOUR TAXPAYER IDENTIFICATION NUMBER IN THE BOX AT RIGHT AND CERTIFY BY SIGNING AND DATING BELOW. See the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for instructions.

Social Security Number(s)
OR
Employer Identification Number(s)
(If awaiting TIN, write "Applied For")

Please Fill in Your Name and Address Below

Name: _____

Address (Number and Street)

City, State and Zip Code

PART II — Check this box if you are a U.S. payee exempt from backup withholding (see enclosed Guidelines) ☐

PART III — CERTIFICATION

UNDER THE PENALTIES OF PERJURY, I CERTIFY THAT:

(1) The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
(2) I am not subject to backup withholding either because I am exempt from backup withholding, I have not been notified by the Internal Revenue Service ("IRS") that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the IRS has notified me that I am no longer subject to backup withholding, and
(3) I am a U.S. person (including a U.S. resident alien).

Signature: _____ Date: _____

CERTIFICATION GUIDELINES—You must cross out item (2) of the above certification if you have been notified by the IRS that you are subject to backup withholding because of under reporting of interest or dividends on your tax return. However, if after being notified by the IRS that you were subject to backup withholding you received another notification from the IRS stating that you are no longer subject to backup withholding, do not cross out item (2).

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and either (a) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office, or (b) I intend to mail or deliver an application in the near future. I understand that if I do not provide a taxpayer identification number to the payer, the applicable rate of all payments made to me shall be retained until I provide a taxpayer identification number to the payer and that, if I do not provide my taxpayer identification number within sixty (60) days, such retained amounts shall be remitted to the Internal Revenue Service as backup withholding and the applicable rate of all reportable payments made to me thereafter will be withheld and remitted to the Internal Revenue Service until I provide a taxpayer identification number.

Signature: _____ **Date:** _____

NOTE: **FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP WITHHOLDING OF THE APPLICABLE RATE OF ANY PAYMENTS MADE TO YOU. PLEASE REVIEW THE ENCLOSED "GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9" FOR ADDITIONAL DETAILS.**

The Depositary for the Offer is:

Mellon Investor Services LLC

By Registered or Certified Mail:	*By Overnight Courier:*	*By Hand:*
Attention: Reorganization Dept.	Attention: Reorganization Dept.	Attention: Reorganization Dept.
P.O. Box 3301	85 Challenger Road	120 Broadway
South Hackensack, NJ 07660	Mail Stop-Reorg	13th Floor
	Ridgefield Park, NJ 07660	New York, NY 10271

Any questions or requests for assistance may be directed to the Information Agent at its address and telephone numbers set forth below. Requests for additional copies of this Offer to Purchase and the Letter of Transmittal may be directed to the Information Agent or the Depositary. Stockholders may also contact their brokers, dealers, commercial banks, trust companies or other nominees for assistance concerning the Offer.

The Information Agent for the Offer is:

Mellon Investor Services LLC

85 Challenger Road
2nd Floor
Ridgefield Park, NJ 07661

Call Toll Free: (888) 689-1607

Notice of Guaranteed Delivery

for

Tender of Shares of Common Stock

of

AMN Healthcare Services, Inc.

Pursuant to the Offer to Purchase Dated September 4, 2003

THE OFFER, PRORATION PERIOD AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, EASTERN TIME, ON OCTOBER 1, 2003 UNLESS THE OFFER IS EXTENDED.

This form, or a form substantially equivalent to this form, must be used to accept the Offer (as defined below) if a stockholder's stock certificates are not immediately available, if the procedure for book-entry transfer cannot be completed on a timely basis or if time will not permit the Letter of Transmittal or other required documents to reach the Depositary prior to the expiration date (as set forth in the Offer). Such form may be delivered to the Depositary by hand, mail, overnight courier or (for Eligible Institutions only) by facsimile transmission. See Section 2 of the Offer to Purchase.

The Eligible Institution that completes this form must communicate the guarantee to the Depositary and must deliver the Letter of Transmittal and certificates for shares to the Depositary within the time shown herein. Failure to do so could result in a financial loss to such Eligible Institution.

The Depositary for the Offer is:

Mellon Investor Services LLC

By Registered or Certified Mail:
Attention: Reorganization Dept.
P.O. Box 3301
South Hackensack, NJ 07660

By Overnight Courier:
Attention: Reorganization Dept.
85 Challenger Road
Mail Stop-Reorg
Ridgefield Park, NJ 07660

By Hand:
Attention: Reorganization Dept.
120 Broadway
13th Floor
New York, NY 10271

By Facsimile Transmission:
(for Eligible Institutions only)

(201) 296-4293

By Confirmation Receipt of Facsimile Transmission:
(by telephone only)

(201) 296-4860

Delivery of this instrument to an address other than as set forth above will not constitute a valid delivery. Deliveries to AMN Healthcare Services, Inc. will not be forwarded to the Depositary and therefore will not constitute valid delivery. Deliveries to the book-entry transfer facility will not constitute valid delivery to the depositary.

This Notice of Guaranteed Delivery is not to be used to guarantee signatures. If a signature on the Letter of Transmittal is required to be guaranteed by an Eligible Institution (as defined in the Offer to Purchase) under the instructions to the Letter of Transmittal, the signature guarantee must appear in the applicable space provided in the signature box on the Letter of Transmittal.

Ladies and Gentlemen:

The undersigned hereby tenders to AMN Healthcare Services, Inc., upon the terms and subject to the conditions set forth in its Offer to Purchase dated September 4, 2003 and the related Letter of Transmittal (which together constitute the "Offer"), receipt of which is hereby acknowledged, the number of shares of common stock of AMN Healthcare Services, Inc., par value $0.01 per share, listed below, pursuant to the guaranteed delivery procedures set forth in Section 2 of the Offer to Purchase.

Note: Signatures Must Be Provided Where Indicated Below

Name(s) of Recordholder(s) (If Available) _____

_____
(Please Print)

Address(es) _____
_____
_____

Zip Code _____

(Area Code) Telephone No. _____
_____

_____
(Signature(s) of Recordholder(s))

Number of Shares: _____

Certificate No.(s) _____
_____
_____

Account No. _____
(At the Depository Trust Company if Shares will be Delivered by Book-Entry Transfer)

Delivery Guarantee _____
(Not to be Used for Signature Guarantee)

The undersigned, a financial institution that is a participant in the Securities Transfer Agents Medallion Program or the New York Stock Exchange Medallion Signature Program, hereby guarantees (i) that the above-named person(s) has a net long position in the shares being tendered within the meaning of Rule 14e-4 promulgated under the Securities Exchange Act of 1934, (ii) that such tender of shares complies with Rule 14e-4 and (iii) to deliver to the Depositary at one of its addresses set forth above certificate(s) for the shares tendered hereby, in proper form for transfer, or a confirmation of the book-entry transfer of the shares into the Depositary's account at The Depository Trust Company, together with a properly completed and duly executed Letter of Transmittal (or a facsimile of one) and any other required documents, within three NYSE trading days after the date of receipt by the Depositary.

_____
(Name of Eligible Institution)

_____
Address

_____
Zip Code

_____
(Area Code) Telephone No.

_____
Authorized Signature

_____
Name: (Print Name)

_____
Title

Dated: _____, 2003

This form is not to be used to guarantee signatures. If a signature on the Letter of Transmittal is required to be guaranteed by an Eligible Institution under the instructions thereto, such signature guarantee must appear in the applicable space provided in the signature box on the Letter of Transmittal.

Do not send share certificates with this form. Your share certificates must be sent with the Letter of Transmittal.

Offer to Purchase for Cash

by

AMN Healthcare Services, Inc.

up to

An Aggregate of $180.0 million of
Shares of its Common Stock, par value $0.01 per Share
and
Vested and Exercisable Options to Purchase Shares of its Common Stock

At a Purchase Price of $18.00 per Share and
$18.00 per Option (Less the Applicable Option Exercise Price)

THE OFFER, PRORATION PERIOD AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, EASTERN TIME, ON OCTOBER 1, 2003, UNLESS THE OFFER IS EXTENDED.

September 4, 2003

To Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees:

We are enclosing herewith the material listed below relating to the offer by AMN Healthcare Services, Inc., a Delaware corporation (the "Company"), to purchase shares of its outstanding common stock, par value $0.01 per share ("Shares"), and vested and exercisable options to purchase Shares (each, an "Option") upon the terms and subject to the conditions set forth in the Offer to Purchase dated September 4, 2003 and in the related Letter of Transmittal (which together constitute the "Offer"). The Company will purchase Shares and Options with an aggregate purchase price of up to $180.0 million. The Company may elect, but is not obligated, to purchase additional Shares and Options (collectively, "Securities") pursuant to the Offer. **The Offer is not conditioned upon any minimum amount of Securities being validly tendered but is subject to certain other conditions, including the availability of financing, described in the Offer to Purchase.**

We have been engaged by the Company as the Information Agent with respect to the Offer. We are asking you to contact your clients for whom you hold Shares registered in your name (or in the name of your nominee) or who hold Shares registered in their own names. Please bring the Offer to their attention as promptly as possible. No fees or commissions (other than fees to the Information Agent and the Depositary as described in the Offer) will be payable to brokers, dealers or other persons for soliciting tenders of Shares pursuant to the Offer. The Company will, however, upon request, reimburse you for customary mailing and handling expenses incurred by you in forwarding any of the enclosed materials to your clients. No stockholder will be required to pay transfer taxes on the transfer to the Company of Shares purchased pursuant to the Offer, subject to Instruction 6 of the Letter of Transmittal.

For your information and for forwarding to your clients we are enclosing the following documents:

- Offer to Purchase dated September 4, 2003;
- Specimen Letter of Transmittal to be used by holders of Shares to tender Shares and for the information of your clients;
- Form of Notice of Guaranteed Delivery;
- Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9;

- Letter which may be sent to your clients for whose accounts you hold Shares registered in your name (or in the name of your nominee), with space provided for obtaining such clients' instructions with regard to the Offer;
- Letter from the Company to holders of Shares; and
- Return envelope addressed to Mellon Investor Services LLC, the Depositary.

We urge you to contact your clients promptly. Please note that the Offer, the proration period and withdrawal rights will expire at 12:00 midnight, Eastern Time, on October 1, 2003, unless extended.

Your communications to stockholders with respect to the Offer will constitute your representation to the Company that:

- in connection with such communications you have complied with the applicable requirements of the Securities Exchange Act of 1934 and the applicable rules and regulations thereunder;
- if a foreign broker or dealer, you have conformed to the Rules of Fair Practice of the National Association of Securities Dealers, Inc. in making such communications; and
- in connection with such communications you have not used any offering materials other than those furnished by the Company.

The Offer is not being made to (nor will tenders be accepted from or on behalf of) holders of Securities residing in any jurisdiction in which the making of the Offer or the acceptance thereof would not be in compliance with the securities or blue sky laws of such jurisdiction.

Additional copies of the enclosed material may be obtained from the undersigned. Any questions you may have with respect to the Offer should be directed to us at (800) 549-9249 (call toll free).

Very truly yours,

Mellon Investor Services LLC,
the Information Agent

Nothing contained herein or in the enclosed documents shall constitute you or any other person the agent of the Company, the Information Agent or the Depositary or authorize you or any other person to make any statements or use any material on their behalf with respect to the Offer, other than the materials enclosed herewith and the statements specifically set forth in such material.

Offer to Purchase for Cash

by

AMN Healthcare Services, Inc.

up to

An Aggregate of $180.0 million of
Shares of its Common Stock, par value $0.01 per Share
and
Vested and Exercisable Options to Purchase Shares of its Common Stock

At a Purchase Price of $18.00 per Share and
$18.00 per Option (Less the Applicable Option Exercise Price)

THE OFFER, PRORATION PERIOD AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, EASTERN TIME, ON OCTOBER 1, 2003, UNLESS THE OFFER IS EXTENDED.

September 4, 2003

To Our Clients:

Enclosed for your consideration is the Offer to Purchase dated September 4, 2003, of AMN Healthcare Services, Inc., a Delaware corporation (the "Company"), and a related specimen Letter of Transmittal (which together constitute the "Offer"), pursuant to which the Company is inviting holders of its common stock, par value $0.01 per share ("Shares"), to tender their Shares for purchase by the Company at a price of $18.00 per Share, net to the seller in cash, without interest. Pursuant to the Offer, the Company is also inviting its employees who are holders of the 3,138,030 vested and exercisable options to purchase Shares (each, an "Option") at exercise prices less than $18.00 per Share that were outstanding as of September 2, 2003 to tender each such Option for purchase by the Company at a price equal to $18.00, less the applicable exercise price of such Option, net to the seller in cash, without interest. The Company will purchase Shares and Options (collectively, "Securities") whose purchase price does not exceed $180.0 million, in the aggregate. The Company may elect, but shall not be obligated, to purchase additional Securities pursuant to the Offer. The Offer to Purchase and a specimen Letter of Transmittal are being forwarded to you as the beneficial owner of Shares held by us as a nominee for your account but not registered in your name. **A tender of such Shares can be made only by us as the holder of record and only pursuant to your instructions.**

The specimen Letter of Transmittal is furnished to you for your information only and cannot be used by you to tender Shares held by us for your account.

Your attention is called to the following:

- the purchase price is $18.00 net per Share to you in cash, without interest;
- the Offer is not conditioned upon any minimum amount of Securities being validly tendered but is subject to, among other things, the availability of financing for the purchase of Securities;
- the Offer expires at 12:00 midnight, Eastern Time, on October 1, 2003, unless extended (the "Expiration Date"). Securities must be properly tendered by the Expiration Date to ensure that at least some of your Securities will be purchased. Your instructions to us should be forwarded in ample time to permit us to submit a timely tender on your behalf;

- some of the Company's principal stockholders, who held, as of September 2, 2003, approximately 46.7% of the outstanding Shares, have informed the Company that they intend to tender all of their Shares in the Offer. Therefore, the Company expects that all tenders will be subject to proration; and
- the Offer is on the terms and subject to the conditions set forth in the Offer to Purchase, which you should read carefully.

If you wish to have us tender any or all of your Shares, please so instruct us by completing, executing and returning to us the instruction form set forth on the reverse side hereof. An envelope to return your instructions to us is enclosed. If you authorize the tender of your Shares, all such Shares will be tendered unless otherwise specified by you in the instruction form.

The enclosed specimen Letter of Transmittal is furnished to you for your information only and should not be used to tender Shares that you own through us. The method of delivery of this document is at your election and your risk. If delivery is by mail, registered mail with return receipt requested, properly insured, is recommended. In all other cases, sufficient time should be allowed to ensure timely delivery.

As described in the Offer to Purchase, if more than $180.0 million in aggregate purchase price of Securities (or such greater amount of Securities as the Company may elect to purchase) are validly tendered on or prior to the Expiration Date, subject to the terms and conditions of the Offer, the Company will purchase all Securities validly tendered and not withdrawn on or prior to the Expiration Date on a *pro rata* basis (with appropriate adjustments to avoid purchase of fractional Securities).

The Offer is not being made to (nor will tenders be accepted from or on behalf of) holders of Securities residing in any jurisdiction in which the making of the Offer or the acceptance thereof would not be in compliance with the securities or blue sky laws of such jurisdiction.

INSTRUCTIONS

The undersigned acknowledge(s) receipt of your letter enclosing the Offer to Purchase dated September 4, 2003 and a specimen Letter of Transmittal relating to the offer by AMN Healthcare Services, Inc. (the "Company") to purchase up to $180.0 million in aggregate purchase price of its outstanding common stock, par value $0.01 per share ("Shares"), and vested and exercisable options to purchase Shares ("Options"), or such greater amount of Shares and Options as the Company may elect to purchase.

This will instruct you to tender to the Company the number of Shares indicated below (or, if no number is indicated below, all Shares) which are held by you for the account of the undersigned, upon the terms and subject to the conditions set forth in the Offer to Purchase and in the related specimen Letter of Transmittal that you have furnished to the undersigned.

SHARES TENDERED

Indicate below the number of Shares to be tendered by us.

_____ Shares

Signature _____

Name _____
(Please Print)

Account Number _____

Address _____

Area Code and Telephone Number _____

Taxpayer Identification or Social Security Number _____

Date: _____, 2003

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9

Guidelines for Determining the Proper Identification Number for the Payee (You) to Give the Payer.—Social Security numbers have nine digits separated by two hyphens: i.e. 000-00-0000. Employer identification numbers have nine digits separated by only one hyphen: i.e. 00-0000000. The table below will help determine the number to give the payer. All "Section" references are to the Internal Revenue Code of 1986, as amended. "IRS" is the Internal Revenue Service.

For This Type of Account:	Give the SOCIAL SECURITY number of—
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account(1)
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor(2)
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee(1)
b. So-called trust account that is not a legal or valid trust under state law.	The actual owner(1)
5. Sole proprietorship	The owner(3)
6. Sole proprietorship	The owner(3)

For this type of account:	Give the EMPLOYER IDENTIFICATION number of—
7. A valid trust, estate, or pension trust	The legal entity(4)
8. Corporate	The corporation
9. Association, club, religious, charitable, educational or other tax-exempt organization account	The organization
10. Partnership	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district or prison) that receives agriculture program payments	The public entity

(1) List first and circle the name of the person whose number you furnish. If only one person on a joint account has a social security number, that person's number must be furnished.
(2) Circle the minor's name and furnish the minor's social security number.
(3) You must show your individual name, but you may also enter your business or "doing business as" name. You may use either your social security number or your employer identification number (if you have one).
(4) List first and circle the name of the legal trust, estate or pension trust. (Do not furnish the taxpayer identification number of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

Note: If no name is circled when there is more than one name, the number will be considered to be that of the first name listed.

Obtaining a Number

If you do not have a taxpayer identification number, obtain Form SS-5, Application for a Social Security Card, at the local Social Security Administration office, or Form SS-4, Application for Employer Identification Number, by calling 1 (800) TAX-FORM, and apply for a number.

Payees Exempt From Backup Withholding

Payees specifically exempted from backup withholding on ALL payments include:

- An organization exempt from tax under section 501(a), an individual retirement account (IRA), or a custodial account under Section 403(b)(7), if the account satisfies the requirements of Section 401(f)(2).
- The United States or a state thereof, the District of Columbia, a possession of the United States, or a political subdivision or agency or instrumentality of any one or more of the foregoing.
- An international organization or any agency or instrumentality thereof.
- A foreign government or any political subdivision, agency or instrumentality thereof.

Payees that may be exempt from backup withholding include:

- A corporation.
- A financial institution.
- A dealer in securities or commodities required to register in the United States, the District of Columbia or a possession of the United States.
- A real estate investment trust.
- A common trust fund operated by a bank under Section 584(a).
- An entity registered at all times during the tax year under the Investment Company Act of 1940.
- A middleman known in the investment community as a nominee or custodian.
- A futures commission merchant registered with the Commodity Futures Trading Commission.
- A foreign central bank of issue.
- A trust exempt from tax under Section 664 or described in Section 4947.

Payments of dividends generally exempt from backup withholding include:

- Payments to nonresident aliens subject to withholding under Section 1441.
- Payments to partnerships not engaged in a trade or business in the United States and that have at least one non-resident alien partner.
- Payments made by certain foreign organizations.
- Section 404(k) distributions made by an ESOP.

Certain payments, other than payments of interest, dividends, and patronage dividends, that are exempt from information reporting are also exempt from backup withholding. For details, see sections 6041, 6041A, 6042, 6044, 6045, 6049, 6050A and 6050N.

EXEMPT PAYEES DESCRIBED ABOVE MUST FILE FORM W-9 OR A SUBSTITUTE FORM W-9 TO AVOID POSSIBLE ERRONEOUS BACKUP WITHHOLDING. FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, CHECK THE BOX IN PART II OF THE FORM, AND RETURN TO THE PAYER IF THE PAYMENTS ARE OF INTEREST, DIVIDENDS OR PATRONAGE DIVIDENDS. ALSO SIGN AND DATE THE FORM.

Privacy Act Notice. — Section 6109 requires you to provide your correct taxpayer identification number to payers, who must report the payments to the IRS. The IRS uses the number for identification purposes and may also provide this information to various government agencies for tax enforcement or litigation purposes. Payers must be given the numbers whether or not recipients are required to file tax returns. Payers must generally withhold, at the then applicable rate, from payments of taxable interest, dividends and certain other payments to a payee who does not furnish a taxpayer identification number to a payer. Certain penalties may also apply.

Penalties

(1) Failure to Furnish Taxpayer Identification Number. — If you fail to furnish your taxpayer identification number to a payer, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

(2) Civil Penalty for False Information With Respect to Withholding. — If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

(3) Criminal Penalty for Falsifying Information. — Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

AMN HEALTHCARE SERVICES, INC.

September 4, 2003

Ladies and Gentlemen:

AMN Healthcare Services, Inc. (the "Company") is inviting holders of its common stock, par value $0.01 per share ("Shares"), to tender their Shares for purchase by the Company at a price of $18.00 per Share, net to the seller in cash, without interest. The Company is also inviting employees who are holders of the 3,138,030 vested and exercisable options to purchase Shares (each, an "Option") at exercise prices less than $18.00 per Share that were outstanding as of September 2, 2003 to tender each such Option for purchase by us at a price equal to $18.00, less the applicable exercise price of such Option, net to the seller in cash, without interest. On the terms and subject to the conditions set forth in the accompanying Offer to Purchase, dated September 4, 2003, the Company will purchase Shares and Options (collectively, "Securities") with an aggregate purchase price of up to $180.0 million.

The offer is explained in detail in the enclosed Offer to Purchase, Letter of Transmittal and, for holders of Options, the Election to Tender Options. We encourage you to read these materials carefully before making any decision with respect to the offer. If you desire to tender your Securities, the instructions on how to tender Securities are also explained in detail in the accompanying materials.

Neither the Company nor the Board of Directors makes any recommendation to any holder of Securities as to whether to tender or refrain from tendering Securities. You must make the decision whether to tender your Securities and, if so, what amount of Securities should be tendered. The Company's principal stockholders and certain members of its Board of Directors and management have informed the Company that they intend to tender a significant amount of Securities in the Offer. Therefore, we expect that the amount of Securities you tender will be reduced significantly pursuant to the proration procedures described in detail in the accompanying Offer to Purchase.

The offer is not conditioned on any minimum amount of Securities being tendered. The offer, however, is subject to certain other conditions, including the availability of financing, described in the enclosed Offer to Purchase.

Please note that the offer will expire at 12:00 midnight, Eastern Time, on October 1, 2003, unless it is extended. Questions with respect to the offer should be referred to Mellon Investor Services LLC, the Information Agent, at (800) 549-9249 (toll free throughout the U.S.).

On behalf of your Board of Directors, thank you for your continued interest and support.

Sincerely yours,

Steven C. Francis
Chief Executive Officer and Director

Election to Tender Vested and Exercisable Options
to Purchase Shares of Common Stock
of

AMN Healthcare Services, Inc.

Pursuant to the Offer to Purchase Dated September 4, 2003

THE OFFER, PRORATION PERIOD AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, EASTERN TIME, ON OCTOBER 1, 2003, UNLESS THE OFFER IS EXTENDED.

All terms used in this election form (the "Election to Tender Options") but not defined herein shall have the meanings ascribed to them in the Offer to Purchase. This Election to Tender Options is for use by holders of Options (each, an "Option Holder") who are tendering their Options.

The Option Holder completing this form has received and read the Offer to Purchase dated September 4, 2003 and this Election to Tender Options, and understands, acknowledges and agrees that:

- subject to the terms and conditions of the Offer, the Option Holder may tender Options to the Company for the cash payment (minus tax withholding) described in the Offer to Purchase prior to the expiration of the Offer at 12:00 midnight, Eastern Time, October 1, 2003;
- the Company's acceptance of the Options that the Option Holder has tendered pursuant to the Offer will constitute a binding agreement between the Company and the Option Holder upon the terms and subject to the conditions of the Offer;
- upon the Company's acceptance of any Options that the Option Holder has tendered pursuant to the Offer, such accepted Options will be purchased, and the Option Holder hereby consents to the cancellation of such Options in accordance with the terms of the relevant Option agreements, and the Option Holder shall have no right to purchase Shares under the terms and conditions of such accepted Options after the Company's acceptance;
- the Option Holder has certain rights pursuant to the terms and conditions of the Offer to withdraw any Options that the Option Holder tenders;
- under the circumstances set forth in the Offer, the Company may terminate or postpone its purchase and cancellation of tendered Options;
- cash payment will be made to the Option Holder for the Option Holder's properly tendered Options that have not been properly withdrawn promptly following the acceptance by the Company upon the expiration of the Offer and the satisfaction of all of the conditions to the Offer;
- if the Option Holder is an employee, the cash payment will represent ordinary compensation income, and the amount of the cash payment actually delivered to the Option Holder will reflect required tax withholdings by the Company; and

- the Company has advised the Option Holder to consult with the Option Holder's own advisors as to the consequences of participating or not participating in the Offer.

Option Holders who wish to tender any or all of their Options should fill in the information required on page 3, and sign and date page 4 of this Election to Tender Options, and then return all the pages of this Election to Tender Options to the following address or facsimile number no later than the expiration date:

AMN Healthcare Services, Inc.
12400 High Bluff Drive, Suite 100
San Diego, CA 92130
Attention: Denise Jackson, General Counsel

(858) 720-1613 (phone)
(858) 509-3587 (facsimile)

Please direct any questions or requests for assistance, as well as requests for additional copies of the Offer to Purchase or this Election to Tender Options, to Denise Jackson at the above address and telephone number. The method by which the Option Holder delivers any required document is at the Option Holder's option and risk, and the delivery will be deemed made only when actually received by the Company. If the Option Holder elects to deliver the Option Holder's documents by mail, the Company recommends using registered mail with return receipt requested. In all cases, the Option Holder should allow sufficient time to ensure timely delivery prior to the expiration date.

ELECTION TO TENDER OPTIONS

Set forth below is information regarding Options the Option Holder wishes to tender (attach additional sheets, if necessary):

A	B	C	D	E	F
DATE OF OPTION GRANT	EXERCISE PRICE OF OPTIONS SUBJECT TO GRANT	TOTAL NUMBER OF OUTSTANDING OPTIONS SUBJECT TO GRANT (1)	PURCHASE PRICE PER OPTION SUBJECT TO GRANT (2)	NUMBER OF OPTIONS TO BE TENDERED	AGGREGATE PURCHASE PRICE (3)

TOTAL PURCHASE PRICE: $

(1) Represents the total number of Shares for which the Option grant remains outstanding (*i.e.*, the total number of Shares for which the Option grant has not been exercised).
(2) Equal to $18.00 minus the exercise price set forth in Column B.
(3) Equal to the purchase price set forth in Column D times the number of options et forth in Column E.

Note that the Company expects that tenders of all Securities, including the Options tendered hereby, will be subject to proration. In the proration process, the Company will accept the Options with the lowest exercise prices first.

By signing and returning this Election to Tender Options, the Option Holder represents and warrants to, and agrees with the Company that:

- the Option Holder agrees to the terms set forth in this Election to Tender Options and understands that Options will be canceled upon acceptance and purchase by the Company;
- the Option Holder has full power and authority to tender the foregoing for purchase and cancellation and that, when and to the extent such Options are accepted by the Company, such Options will be free and clear of all security interests, liens, restrictions, charges, encumbrances, conditional sales agreements or other obligations relating to the sale or transfer thereof, other than pursuant to the applicable option agreements, and such Options will not be subject to any adverse claims; and
- upon request, the Option Holder will execute and deliver any additional documents, provide any additional information and enter into any additional arrangements (including, without limitation, with respect to withholding) deemed by the Company to be necessary or desirable to complete the purchase and cancellation of the Options that the Option Holder is tendering.

_____ Date: _____ , 2003

Name:

Spouse (if any):

_____ Date: _____ , 2003

Name:

This Election to Tender Options must be signed by the Option Holder. The Company will not accept any alternative, conditional or contingent elections.

PRESS RELEASE

FOR IMMEDIATE RELEASE

Contact: Donald R. Myll or Joseph F. Marino
(866) 861-3229

September 4, 2003

AMN HEALTHCARE SERVICES, INC. ANNOUNCES COMMENCEMENT OF OFFER TO PURCHASE UP TO $180.0 MILLION OF SHARES AND STOCK OPTIONS

San Diego, CA (September 4, 2003) – AMN Healthcare Services, Inc. (NYSE: AHS), a Delaware corporation, announces the commencement of a tender offer to purchase shares of its common stock, par value $0.01 per share, and vested and exercisable employee stock options with exercise prices less than $18.00 per share. The purchase price for common stock in the tender offer will be $18.00 per share and the purchase price for stock options will be equal to $18.00 per option less the applicable exercise price of such option, in each case, net to the seller in cash, without interest. In the tender offer, AMN is purchasing shares and options whose aggregate purchase price does not exceed $180.0 million, representing a maximum of 10 million of AMN's outstanding shares. AMN also reserves the right, in its sole discretion but subject to any applicable legal requirements, to purchase more than $180.0 million in aggregate purchase price of shares and options in the tender offer. The terms of the tender offer are described more fully in the tender offer documents that are being mailed to securityholders and filed with the Securities and Exchange Commission today.

The tender offer commences today, September 4, 2003, and is set to expire at 12:00 midnight, Eastern Time, on October 1, 2003, unless extended. AMN intends to use approximately $40 million of cash on hand and credit facility borrowings of approximately $145 million to pay the purchase price for the shares and options purchased in the offer and to pay expenses incurred in connection with the offer.

On the terms and subject to the conditions of the tender offer, holders have the opportunity to tender all or a portion of their shares and options. If holders properly tender shares and options whose purchase price exceeds $180.0 million in the aggregate, AMN will purchase shares and options tendered by securityholders on a pro rata basis. The tender offer is subject to a number of conditions, including the availability of satisfactory financing for the tender offer.

Certain partnerships affiliated with Haas Wheat & Partners, L.P., (the "HW Stockholders"), which together own approximately 46.7% of the outstanding common stock of AMN, have informed AMN that they intend to tender all of their shares in the tender offer. Steven C. Francis, the Chief Executive Officer of AMN, has informed AMN that he will not be tendering any of the shares or options he beneficially owns. In addition, other directors and executive officers of AMN have advised AMN that they intend to tender shares and options that they beneficially own. AMN expects that all securities tendered (including those tendered by the HW Stockholders and AMN directors and executive officers) will be subject to reduction on a pro rata basis.

Mr. Francis stated, “We believe that this tender offer will be an effective utilization of our cash resources and capital position. In addition, we expect that the tender offer will be accretive to the Company’s earnings per share.” Mr. Francis noted, however, that neither the Board of Directors nor AMN is making any recommendation to any securityholder as to whether to tender or refrain from tendering securities into the offer. In addition, Mr. Francis reiterated the Company’s practice of not providing guidance regarding its future results beyond the current quarter.

About AMN

AMN is the largest nationwide provider of travel healthcare staffing services. AMN recruits nurses and allied health professionals nationally and internationally and places them on temporary assignments, typically for 13 weeks, at acute-care hospitals and healthcare facilities throughout the United States.

Cautionary Statement

This press release is for informational purposes only, and is not an offer to buy or the solicitation of an offer to sell any of AMN’s securities. The solicitation of offers to buy AMN’s securities is being made only pursuant to the tender offer documents, including the offer to purchase and the related letter of transmittal that AMN is distributing to holders of its securities and filing with the Securities and Exchange Commission.

This press release contains certain “forward-looking statements,” within the meaning of the Private Securities Litigation Reform Act of 1995. AMN has tried, whenever possible, to identify these forward-looking statements using words such as “anticipates,” “believes,” “estimates,” “projects,” “expects,” “plans,” “intends” and similar expressions. Similarly, statements herein that describe AMN’s business strategy, outlook, objectives, plans, intentions or goals are also forward-looking statements. Accordingly, such forward-looking statements involve known and unknown risks, uncertainties and other factors which could cause AMN’s actual results, performance or achievements to differ materially from those expressed in, or implied by, such statements. These risks and uncertainties may include, but are not limited to: AMN’s ability to continue to recruit and retain qualified temporary healthcare professionals and ability to attract and retain operational personnel; AMN’s ability to enter into contracts with hospitals and other healthcare facility clients on terms attractive to AMN and to secure orders related to those contracts; the attractiveness to hospitals and healthcare facility clients of AMN’s services; changes in the timing of hospital and healthcare facility clients’ orders for and AMN’s placement of temporary healthcare professionals; the general level of patient occupancy at AMN’s hospital and healthcare facility clients’ facilities; the overall level of demand for services offered by temporary healthcare providers; AMN’s ability to successfully implement its acquisition and integration strategies; the effect of existing or future government regulation of the healthcare industry, and AMN’s ability to operate in compliance with these regulations; the impact of medical malpractice and other claims asserted against AMN; and AMN’s ability to carry out its business strategy, including adapting to an increasingly competitive environment. These statements reflect AMN’s current beliefs and are based upon information currently available to it. Be advised that developments subsequent to this release are likely to cause these statements to become outdated with the passage of time.

AMN has filed a tender offer statement and may file other relevant documents concerning the tender offer with the SEC. **Investors and securityholders are urged to read the tender offer statement (including the Offer to Purchase, Letter of Transmittal and related tender offer documents) and any other documents filed with the SEC because they contain important information on the tender offer**. Investors and securityholders will be able to obtain these documents as they become available free of charge at the SEC’s website (www.sec.gov), or at the SEC’s public

reference room located at 450 Fifth Street, NW, Washington, DC 20549. Please call the SEC at 1-800-SEC-0330 for further information about the public reference room. In addition, documents filed with the SEC by AMN may be obtained free of charge by contacting AMN Healthcare Services, Inc., Attn: Investor Relations (tel: 866-861-3229). **Investors and securityholders should read the tender offer statement carefully before making any decision with respect to the tender offer.**

Exhibit (b)

BANK OF AMERICA, N.A.
BANC OF AMERICA SECURITIES LLC
100 North Tryon Street
Charlotte, North Carolina 28255

August 28, 2003

AMN Healthcare, Inc.
12235 El Camino Real
Suite 200
San Diego, California 92130

Re: Senior Secured Credit Facilities

Ladies and Gentlemen:

Reference is made to that certain Credit Agreement dated as of November 16, 2001 by and among AMN Healthcare, Inc. (the "Borrower"), AMN Healthcare Services, Inc. (the "Parent"), the Subsidiary Guarantors party thereto, the Lenders party thereto, Bank of America, N.A., as Agent, and General Electric Capital Corporation, as Syndication Agent, as amended from time to time (the "Existing Credit Agreement"). Unless otherwise defined herein, capitalized terms shall have the meanings set forth in the Existing Credit Agreement.

You have advised us that the Parent, intends, subject to obtaining the approval of the requisite Lenders under the Existing Credit Agreement, to repurchase up to $180 million of its common stock and options to purchase shares of its common stock (including the pro rata repurchases of common stock and options owned by any Sponsor Entity) in one or a series of related transactions (collectively, the "Stock Repurchase"). You have further advised us that, in order to finance the Stock Repurchase, you desire to amend the Existing Credit Agreement to (i) establish a $120 million tranche B term loan facility (the "Tranche B Facility") and (ii) extend the Maturity Date of the Revolving Commitment and make such other amendments to the Existing Credit Agreement consistent with the Summary of Terms and Conditions of Amendment to Existing Credit Agreement attached hereto (the "Summary of Terms") (collectively, the "Other Amendments").

In connection with the foregoing, Bank of America, N.A. ("Bank of America") is pleased to commit to act as sole and exclusive administrative agent (in such capacity, the "Agent") and to provide all of the Tranche B Facility, upon and subject to the terms and conditions of this letter and the Summary of Terms.

Banc of America Securities LLC ("BAS") is pleased to advise you of its willingness to act as sole and exclusive book manager and sole and exclusive lead arranger (in such capacities, the "Lead Arranger") to form a syndicate of financial institutions reasonably acceptable to you for the Tranche B Facility and to secure an amendment and/or restatement of the Existing Credit Agreement (the "Amendment"), on a best efforts basis, pursuant to which,

the Parent would be permitted to consummate the Stock Repurchase and the Tranche B Facility and the Other Amendments would be implemented.

You hereby agree that, effective upon your acceptance of this Commitment Letter and continuing through October 31, 2003, you shall not solicit any other bank, investment bank, financial institution, person or entity to provide, structure, arrange or syndicate the Tranche B Facility or any other senior financing similar to or as a replacement of the Tranche B Facility or the Existing Credit Agreement.

The commitment of Bank of America hereunder and the undertaking of the Lead Arranger to provide the services described herein are subject to the satisfaction of each of the following conditions precedent in a manner acceptable to Bank of America and the Lead Arranger in their sole reasonable discretion: (a) the accuracy and completeness in all material respects of all representations that you and your affiliates make to Bank of America and the Lead Arranger and your compliance in all material respects with the terms of this Commitment Letter (including the Summary of Terms) and the Fee Letter (as hereinafter defined); (b) prior to and during the syndication of the Tranche B Facility there shall be no competing offering, placement or arrangement of any debt securities or bank financing by or on behalf of the Borrower or any of its subsidiaries; (c) the negotiation, execution and delivery of definitive documentation for the Amendment consistent with the Summary of Terms and otherwise reasonably satisfactory to Bank of America and the Lead Arranger; (d) no material adverse change in or material disruption of conditions in the market for syndicated bank credit facilities or the financial, banking or capital markets generally shall have occurred that, in the judgment of Bank of America and the Lead Arranger, would materially impair the syndication of the Tranche B Facility; and (e) no change, occurrence or development that shall have occurred or become known to Bank of America or the Lead Arranger since December 31, 2002 could reasonably be expected to have a material adverse effect on the business, assets, liabilities (actual or contingent), operations, condition (financial or otherwise) or prospects of the Parent and the Consolidated Parties, taken as a whole.

The Lead Arranger intends to commence syndication efforts promptly upon your acceptance of this Commitment Letter and the Fee Letter (as hereinafter defined).

You agree to actively assist the Lead Arranger in achieving a syndication of the Tranche B Facility that is satisfactory to it. Such assistance shall include (a) your providing and causing your advisors to provide Bank of America, the Lead Arranger and the other Lenders upon request with all information reasonably deemed necessary by Bank of America and the Lead Arranger to complete syndication; (b) your assistance in the preparation of an Information Memorandum to be used in connection with the syndication of the Tranche B Facility; (c) your using commercially reasonable efforts to ensure that the syndication efforts of the Lead Arranger benefit materially from your existing banking relationships; and (d) otherwise assisting Bank of America and the Lead Arranger in their syndication efforts, including by making your senior management and advisors available from time to time to attend and make presentations regarding the business and prospects of the Borrower and its subsidiaries, as appropriate, at one or more meetings of prospective Lenders.

It is understood and agreed that the Lead Arranger will manage and control all aspects of the syndication, in consultation with you, including decisions as to the selection of prospective Lenders and any titles offered to proposed Lenders, when commitments will be accepted and the final allocations of the commitments among the Lenders. It is understood that no Lender participating in the Amendment (including, without limitation, the Tranche B Facility) will receive compensation from you in order to obtain its approval and/or commitment, except on the terms contained herein, in the Summary of Terms and the Fee Letter (as hereinafter defined). It is also understood and agreed that the amount and distribution of the fees among the Lenders will be at the sole discretion of the Lead Arranger.

You hereby represent, warrant and covenant that (a) all material information, other than Projections (defined below), which has been or is hereafter made available to Bank of America, the Lead Arranger or the Lenders by you or any of your representatives in connection with the transactions contemplated hereby (the "Information") is and will be complete and correct in all material respects and does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein not materially misleading, taken as a whole, and (b) all financial projections concerning the Borrower and its subsidiaries that have been or are hereafter made available to Bank of America, the Lead Arranger or the Lenders by you or any of your representatives (the "Projections") have been or will be prepared in good faith based upon assumptions you believe to be reasonable as of the date such Projections were prepared. You agree to furnish us with such Information and Projections as we may reasonably request and to supplement the Information and the Projections from time to time until the closing date for the Amendment (the "Closing Date") so that the representation, warranty and covenant in the preceding sentence is correct, in all material respects, on the Closing Date. In issuing this commitment and in arranging the Amendment and syndicating the Tranche B Facility, Bank of America and the Lead Arranger are and will be using and relying on the Information and the Projections (collectively, the "Pre-Commitment Information") without independent verification thereof.

By executing this Commitment Letter, you agree to reimburse Bank of America and the Lead Arranger from time to time on demand for all reasonable out-of-pocket fees and expenses (including, but not limited to, the reasonable fees, disbursements and other charges of Moore & Van Allen PLLC, as counsel to the Lead Arranger and the Agent) incurred in connection with the Amendment and/or the Tranche B Facility, the syndication thereof, the preparation of the definitive documentation therefor and the other transactions contemplated hereby.

You agree to indemnify and hold harmless Bank of America, the Lead Arranger, each Lender and each of their affiliates and their respective officers, directors, employees, agents and advisors (each, an "Indemnified Party") from and against (and will reimburse each Indemnified Party as the same are incurred for) any and all claims, damages, losses, liabilities and expenses (including, without limitation, the reasonable fees, disbursements and other charges of counsel) that may be incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or by reason of

(including, without limitation, in connection with any investigation, litigation or proceeding or preparation of a defense in connection therewith) (a) any matters contemplated by this Commitment Letter or any related transaction or (b) the Amendment and the Existing Credit Agreement or any use made or proposed to be made with the proceeds thereof, except to the extent such claim, damage, loss, liability or expense is found in a final, nonappealable judgment by a court of competent jurisdiction to have resulted primarily from such Indemnified Party's gross negligence or willful misconduct. In the case of an investigation, litigation or proceeding to which the indemnity in this paragraph applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by you, your equity holders or creditors or an Indemnified Party, whether or not an Indemnified Party is otherwise a party thereto and whether or not the transactions contemplated hereby are consummated. You also agree that no Indemnified Party shall have any liability (whether direct or indirect, in contract or tort or otherwise) to you or your subsidiaries or affiliates or to your or their respective equity holders or creditors arising out of, related to or in connection with any aspect of the Amendment or the Existing Credit Agreement, except to the extent of direct, as opposed to special, indirect, consequential or punitive, damages determined in a final non-appealable judgment by a court of competent jurisdiction to have resulted from such Indemnified Party's gross negligence or willful misconduct. It is further agreed that Bank of America shall only have liability to you (as opposed to any other person), that Bank of America shall be liable solely in respect of its own commitment to the Tranche B Facility on a several, and not joint, basis with any other Lender and that such liability shall only arise to the extent damages have been caused by a breach of Bank of America's obligations hereunder as determined in a final non-appealable judgment by a court of competent jurisdiction. Notwithstanding any other provision of this Commitment Letter, no Indemnified Party shall be liable for any damages arising from the use by others of information or other materials obtained through electronic telecommunications or other information transmission systems.

This Commitment Letter and the fee letter among you, Bank of America and the Lead Arranger of even date herewith (the "Fee Letter") and the contents hereof and thereof are confidential and, except for disclosure hereof or thereof on a confidential basis to the Sponsor Entities, the partners of the Sponsor Entities or the affiliates of the Sponsor Entities, your directors, officers, employees, accountants, attorneys and other professional advisors retained by you in connection with the Stock Repurchase, the Amendment and/or the Existing Credit Agreement or as otherwise required by law or regulation, may not be disclosed in whole or in part to any person or entity without our prior written consent; provided, however, it is understood and agreed that you may disclose this Commitment Letter (including the Summary of Terms) but not the Fee Letter after your acceptance of this Commitment Letter and the Fee Letter, in filings with the Securities and Exchange Commission and other applicable regulatory authorities and stock exchanges. Notwithstanding the foregoing, the Parent, the Borrower (and each employee, representative or other agent of the Parent or Borrower) may disclose to any person, without limitation of any kind, the income tax treatment and income tax structure of the Existing Credit Agreement (including the Amendment) and the transactions contemplated hereby and thereby and all materials of any kind (including opinions or other tax analyses) that are provided to the Borrower relating to such income tax treatment and income tax

structure; provided, however, that no party shall disclose any information relating to such income tax treatment or income tax structure to the extent nondisclosure is necessary in order to comply with applicable securities laws. For this purpose, income tax treatment and income tax structure shall not include (i) the identity of, or other information that would identify, any existing or future party (or any affiliate of such party) to this Commitment Letter, the Fee Letter or the Existing Credit Agreement or confidential commercial or strategic information regarding such transaction not related to such income tax treatment or income tax structure or (ii) any specific market pricing information, including the amount of any fees, expenses, rates or payments, arising in connection with the Amendment or the Tranche B Facility or the transactions contemplated hereby or thereby. Further, Bank of America and the Lead Arranger shall be permitted to use information related to the syndication and arrangement of the Amendment and the Tranche B Facility in connection with marketing, press releases or other transactional announcements or updates provided to investor or trade publications.

You acknowledge that Bank of America and the Lead Arranger or their affiliates may be providing financing or other services to parties whose interests may conflict with yours. Bank of America and the Lead Arranger agree that they will not furnish confidential information obtained from you to any of their other customers and that they will treat confidential information relating to you and your affiliates with the same degree of care as they treat their own confidential information. Bank of America and the Lead Arranger further advise you that they will not make available to you confidential information that they have obtained or may obtain from any other customer. In connection with the services and transactions contemplated hereby, you agree that Bank of America and the Lead Arranger are permitted to access, use and share with any of their bank or non-bank affiliates, agents, advisors (legal or otherwise) or representatives any information concerning you or any of your affiliates that is or may come into the possession of Bank of America, the Lead Arranger or any of their affiliates.

The provisions of the immediately preceding four paragraphs shall remain in full force and effect regardless of whether any definitive documentation for the Amendment shall be executed and delivered, and notwithstanding the termination of this letter or any commitment or undertaking hereunder.

This Commitment Letter and the Fee Letter may be executed in counterparts which, taken together, shall constitute an original. Delivery of an executed counterpart of this Commitment Letter or the Fee Letter by telecopier or facsimile shall be effective as delivery of a manually executed counterpart thereof.

This Commitment Letter and the Fee Letter shall be governed by, and construed in accordance with, the laws of the State of New York. Each of you, Bank of America and the Lead Arranger hereby irrevocably waives any and all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Commitment Letter (including, without limitation, the Summary of Terms), the Fee Letter, the transactions contemplated hereby and thereby or the actions of Bank of America and the Lead Arranger in the negotiation, performance or enforcement hereof.

This Commitment Letter, together with the Summary of Terms and the Fee Letter, embodies the entire agreement and understanding among Bank of America, the Lead Arranger, you and your affiliates with respect to the Amendment and supercedes all prior agreements and understandings relating to the specific matters hereof. However, please note that the terms and conditions of the commitment of Bank of America hereunder and the undertaking of the Lead Arranger hereunder are not limited to those set forth herein or in the Summary of Terms. Those matters that are not covered or made clear herein or in the Summary of Terms or the Fee Letter are subject to mutual agreement of the parties. No party has been authorized by Bank of America or the Lead Arranger to make any oral or written statements that are inconsistent with this Commitment Letter. This Commitment Letter is not assignable by the Borrower, Bank of America or the Lead Arranger without the prior written consent of each of the parties hereto and is intended to be solely for the benefit of the parties hereto and the Indemnified Parties.

This offer will expire at 5:00 p.m. EST time on August 29, 2003 unless you execute this letter and the Fee Letter and return them to us prior to that time (which may be by facsimile transmission), whereupon this letter and the Fee Letter (each of which may be signed in one or more counterparts) shall become binding agreements. Thereafter, this undertaking and commitment will expire on October 31, 2003 unless definitive documentation for the Amendment is executed and delivered prior to such date. In consideration of the time and resources that BAS and the Lead Arranger will devote to the Tranche B Facility, you agree that, until such expiration, you will not solicit, initiate, entertain or permit, or enter into any discussions in respect of, any offering, placement or arrangement of any competing Tranche B Facility for the Borrower.

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We are pleased to have the opportunity to work with you in connection with this important financing.

Very truly yours,

BANK OF AMERICA, N.A.

By: /s/ Kevin R. Wagley
Name: Kevin R. Wagley
Title: Principal

BANC OF AMERICA SECURITIES LLC

By: /s/ K. James Pirouz
Name: K. James Pirouz
Title: Vice President

ACCEPTED AND AGREED TO
AS OF THE DATE FIRST ABOVE WRITTEN:

AMN HEALTHCARE, INC.

By: /s/ Donald R. Myll
Name: Donald R. Myll
Title: Chief Financial Officer

AMN HEALTHCARE, INC.
SUMMARY OF TERMS AND CONDITIONS
OF
AMENDMENT TO EXISTING CREDIT AGREEMENT

BORROWER:	AMN Healthcare, Inc., a Nevada corporation (the "Borrower").
GUARANTORS:	No change to Existing Credit Agreement.
ADMINISTRATIVE AGENT:	No change to Existing Credit Agreement.
SYNDICATION AGENT:	No change to Existing Credit Agreement.
SOLE LEAD ARRANGER:	Banc of America Securities LLC ("BAS").
SOLE BOOK MANAGER:	BAS.
LENDERS:	Revolving Credit Facility: No change to Existing Credit Agreement. Tranche B Facility: A syndicate of financial institutions (including Bank of America) arranged by the Lead Arranger, which institutions shall be reasonably acceptable to the Borrower and the Agent (collectively, the "Tranche B Lenders").
SENIOR CREDIT FACILITIES:	An aggregate principal amount of $195,000,000 will be available upon the terms and conditions hereinafter set forth: Revolving Credit Facility: Same as Existing Credit Agreement - $75 million revolving credit facility (the "Revolving Credit Facility"), with a $10 million sublimit for the issuance of standby and commercial letters of credit (each a "Letter of Credit") and a $10 million sublimit for swingline loans (each a "Swingline Loan"). Tranche B Facility: a $120 million term loan facility, all of which will be drawn on the Closing Date (the "Tranche B Facility"). The Revolving Credit Facility and the Tranche B Facility are collectively referred to herein as the "Senior Credit Facility".

SWINGLINE OPTION: No change to Existing Credit Agreement.

PURPOSE: The proceeds of the Senior Credit Facility shall be used: (i) for working capital, capital expenditures, and other lawful corporate purposes; and (ii) to finance the repurchase of up to $180 million of its common stock and options to purchase shares of its common stock (including the pro rata repurchases of common stock and options owned by any Sponsor Entity) in one or a series of related transactions (collectively, the "Stock Repurchase").

CLOSING DATE: The execution of Amendment to occur on or before October 31, 2003 (the "Closing Date"). ------------

INTEREST RATES: As set forth in Addendum I.

MATURITY: The Revolving Credit Facility shall terminate and all amounts outstanding thereunder shall be due and payable 5 years from the Closing Date.

The Tranche B Facility shall be subject to repayment according to the Scheduled Amortization (as defined below), with the final payment of all amounts outstanding, plus accrued interest, being due 5 years after the Closing Date.

AVAILABILITY/SCHEDULED AMORTIZATION: Revolving Credit Facility: No change to Existing Credit Agreement.

Tranche B Facility: The Tranche B Facility will be subject to quarterly amortization of principal (in equal installments), with an amount equal to 5% of the initial aggregate principal amount of the Tranche B Facility loans to be payable in each of the first 4 years and an amount equal to 80% of the initial aggregate principal amount of the Tranche B Facility loans to be payable in the final year (the "Scheduled Amortization").

MANDATORY PREPAYMENTS AND COMMITMENT REDUCTIONS: In addition to the amortization set forth above, (a) 100% of all net cash proceeds (i) from Asset Dispositions and Casualty and Condemnation Events of the Borrower and its subsidiaries (excluding sales of inventory and services in the ordinary course of business and other exceptions to be agreed upon in the loan documentation), (ii) of Extraordinary Receipts (to be defined in the loan documentation to include tax refunds, indemnity payments, pension reversions and certain insurance proceeds that would not be covered as Asset Disposition

proceeds, but to exclude cash receipts in the ordinary course of business) and (iii) from the issuance or incurrence after the Closing Date of additional debt of the Borrower or any of its subsidiaries otherwise permitted under the loan documentation (subject to exceptions to be agreed upon in the loan documentation), (b) 50% of all net cash proceeds from the issuance of additional equity interests in the Borrower or any of its subsidiaries otherwise permitted under the loan documentation and (c) 50% of Excess Cash Flow (to be defined in the loan documentation)of the Borrower and its subsidiaries shall be applied to the prepayment of the Senior Credit Facility in the following manner: first, to the Scheduled Amortization installments of the Tranche B Facility on a pro rata basis and, second, to the Revolving Credit Facility (without a corresponding reduction in the Revolving Committed Amount).

OPTIONAL PREPAYMENTS AND COMMITMENT REDUCTIONS: No change to Existing Credit Agreement.

SECURITY: No change to Existing Credit Agreement.

CONDITIONS PRECEDENT TO AMENDMENT CLOSING: The Closing (and the initial funding under the Existing Credit Agreement, as amended) will be subject to satisfaction of the conditions precedent deemed appropriate by the Agent and the Lenders including, but not limited to, the following:

(i) The negotiation of definitive documentation (including, without limitation, satisfactory legal opinions and other customary closing documents) for the Amendment reasonably satisfactory to the Agent, the Lead Arranger and the Lenders and the receipt by the Agent of consents to the Amendment from the Lenders (other than Bank of America).

(ii) There shall not have occurred a material adverse change (x) in the condition (financial or otherwise), operations, business, assets, liabilities or prospects of the Parent and the Consolidated Parties, taken as a whole, since December 31, 2002 or (y) in the facts and information regarding such entities as represented to date.

(iii) The absence of any action, suit, investigation or proceeding pending or, to the knowledge of the Borrower, threatened in any court or before any

arbitrator or governmental authority that could reasonably be expected to (x) have a material adverse effect on the condition (financial or otherwise), operations, business, assets, liabilities or prospects of the Parent and the Consolidated Parties, taken as a whole, since, (y) have a material adverse effect on the ability of the Borrower or any Guarantor to perform its obligations under the loan documentation or (z) have a material adverse effect on the rights and remedies of the Agent or the Lenders under the loan documentation (collectively, a "Material Adverse Effect").

(iv) The Lenders shall have completed a due diligence investigation of the Borrower and its subsidiaries in scope, and with results, satisfactory to the Lenders and shall have been given such access to the management, records, books of account, contracts and properties of the Borrower and its subsidiaries and shall have received such financial, business and other information regarding the Borrower and its subsidiaries as they shall have requested, including, without limitation, information as to possible contingent liabilities, tax matters, collective bargaining agreements and other arrangements with employees, the most recently completed annual (or other audited) financial statements of the Borrower and its subsidiaries, interim financial statements of the Borrower and its subsidiaries dated the end of the most recent fiscal quarter for which financial statements are available (or, in the event the Lenders' due diligence review reveals material changes since such financial statements, as of a later date within 45 days of the Closing Date); All of the Pre-Commitment Information shall be complete and correct in all material respects; and no changes or developments shall have occurred, and no new or additional information, shall have been received or discovered by the Agent regarding the Borrower and its subsidiaries or the transactions contemplated hereby after the date of the Commitment Letter to which this is attached that could reasonably be expected to have a Material Adverse Effect.

(v) The Agent shall have received, in form and substance reasonably satisfactory to it, evidence that the Borrower has received senior secured credit ratings of not less than (i) B2 (stable) from Moody's Investors Service, Inc. ("Moody's") and B+ (stable) from Standard & Poor's Ratings Group, a division of The McGraw Hill

Companies, Inc. ("S&P") respectively or (ii) B1 (stable) from Moody's and B (stable) from S&P.

AMENDMENTS GENERALLY: Applicable provisions of the Existing Credit Agreement to be amended to permit and/or reference the addition of the Tranche B Facility.

CONDITIONS PRECEDENT TO ALL LOANS: No change to Existing Credit Agreement.

REPRESENTATIONS AND WARRANTIES: No change to Existing Credit Agreement.

AFFIRMATIVE COVENANTS: No change to Existing Credit Agreement.

NEGATIVE COVENANTS: Applicable covenants to be amended to permit the Stock Repurchase.

FINANCIAL COVENANTS: No change to Existing Credit Agreement other than:

- Maintenance on a rolling four quarter basis of a Maximum Leverage Ratio (total funded debt/EBITDA) not to exceed:

Fiscal Year	March 31	June 30	September 30	December 31
2003	1.50x	1.50x	1.50x	2.50x
2004	2.50x	2.75	2.50x	2.25x
2005	1.75x	1.75x	1.75x	1.75x
2006 and Thereafter	1.50x	1.50x	1.50x	1.50x

- Consolidated EBITDA Adjustment definition will be amended to reflect a one-time charge for the fourth quarter of 2003 for "compensation expenses" as a result of the repurchase of certain options in connection with the Stock Repurchase.

INTEREST RATE PROTECTION: The Existing Credit Agreement will be amended to require the Borrower to obtain interest rate protection in form and with parties acceptable to the Lenders which shall provide coverage in a notional amount equal to at least 50% of the outstanding amount of the Tranche B Facility and for a duration of at least two years from the Closing Date.

EVENTS OF DEFAULT: No change to Existing Credit Agreement.

ASSIGNMENTS AND PARTICIPATIONS:

Revolving Credit Facility Assignments: No change to Existing Credit Agreement.

Tranche B Facility Assignments: Each Lender will be permitted to make assignments in respect of the Tranche B Facility in a minimum amount equal to $1 million to other financial institutions approved by the Agent (which approval shall not be unreasonably withheld or delayed); provided, however, that the approval of the Agent shall not be required in connection with assignments to other Lenders, to any affiliate of a Lender or to any Approved Fund.

Assignments Generally: No change to Existing Credit Agreement.

Participations: No change to Existing Credit Agreement.

WAIVERS AND AMENDMENTS:

The Existing Credit Agreement will be amended to provide that amendments and waivers of the provisions of the loan agreement and other definitive credit documentation will require the approval of Lenders holding loans and commitments representing more than 50% of the aggregate amount of loans and commitments under the Existing Credit Agreement, as amended by the Amendment, except that the consent of all the Lenders affected thereby shall be required with respect to (i) increases in the commitment of such Lenders, (ii) reductions of principal, interest or fees, (iii) extensions of scheduled maturities or times for payment, and (iv) releases of all or substantially all of the collateral. The Lenders under the Revolving Credit Facility shall not be required to fund any Revolving Loans, or issue or renew any Letter of Credit, over the failure of any condition precedent to such a loan or advance (prior to any waiver or amendment) unless Lenders holding loans and commitments representing more than 50% of the aggregate amount of loans and commitments under the Revolving Credit Facility approve the waiver or amendment that results in the satisfaction of such previously unsatisfied condition precedent.

INDEMNIFICATION: No change to Existing Credit Agreement.

GOVERNING LAW: No change to Existing Credit Agreement.

PRICING/FEES/

EXPENSES: As set forth in Addendum I.

ADDENDUM I
PRICING, FEES AND EXPENSES

UNUSED FEE:	No change to Existing Credit Agreement.
LETTERS OF CREDIT FEES:	The Borrower will pay a fee (the "Letter of Credit Fee"), determined in accordance with the Performance Pricing grid set forth below, on the aggregate stated amount for each Letter of Credit that is issued and outstanding. The Letter of Credit Fee is payable quarterly in arrears, commencing on the Closing Date, and will be shared proportionately by the Lenders.
INTEREST RATES:	Revolving Credit Facility: At the Borrower's option, any loan (other than Swingline Loans) under the Revolving Credit Facility that is made to it will bear interest at a rate equal to the Applicable Margin, as determined in accordance with the Performance Pricing grid set forth below, plus one of the following indexes: (i) LIBOR and (ii) the Alternate Base Rate (to be defined as the higher of (a) the Bank of America prime rate and (b) the Federal Funds rate plus .50%); provided, however, that the initial Applicable Percentages for the Revolving Credit Facility (including Letter of Credit Fees) shall be based on Pricing Level V and shall remain at Pricing Level V until the Calculation Date for the fiscal quarter of the Consolidated Parties ending on March 31, 2004, on and after which time the Pricing Level shall be determined by the Leverage Ratio as of the last day of the most recently ended fiscal quarter or fiscal year, as the case may be, of the Consolidated Parties preceding the applicable Calculation Date. Tranche B Facility: At the Borrower's option, any loan under the Tranche B Facility that is made to it will bear interest at a rate equal to the Applicable Margin, as determined in accordance with the pricing grid set forth immediately below (based upon the senior secured credit ratings the Borrower receives from Moody's and S&P prior to the Closing Date (in the event that the ratings established by Moody's and S&P shall fall within different categories, the applicable category shall be based on the lower of the two ratings)) (the "Applicable Tranche B LIBOR Margin" or "Applicable Tranche B Base Rate Margin", as the case may be), plus one of the following indexes: (i) LIBOR and (ii) Alternate Base Rate:

Senior Secured Credit Ratings received from Moody's and S&P	Applicable Margin for Tranche B LIBOR Loans	Applicable Margin for Tranche B Alternate Base Rate Loans
Ba2/BB	325 bps	225 bps
Ba3/BB-	350 bps	250 bps
B1/B+	375 bps	275 bps
B2/B+ or B1/B	450 bps	350 bps

; provided, in each case that if during the 180 day period following Closing, any breakage costs, charges or fees are incurred on account of the syndication of the Tranche B Facility, the Borrower shall immediately reimburse the Agent for any such costs, charges or fees. Such right of reimbursement shall be in addition to and not in limitation of customary cost and yield protections. Each Swingline Loan shall bear interest at the Alternate Base Rate.

The Borrower may select interest periods of 1, 2, 3 or 6 months for LIBOR loans, subject to availability. Interest shall be payable at the end of the selected interest period, but no less frequently than quarterly.

A default rate shall apply on all obligations in the event of default under the Senior Credit Facility at a rate per annum of 2% above the applicable interest rate.

PERFORMANCE PRICING: The Applicable Margin and Letter of Credit Fee, for any fiscal quarter, shall be the applicable rate per annum set forth in the table below opposite the Leverage Ratio determined as of the last day of the immediately preceding fiscal quarter.

		Applicable Margin For LIBOR Loans	Applicable Margin for Alternate Base Rate Loans	Standby Letter of Credit Fee	Trade Letter of Credit Fee
Pricing Level	Leverage Ratio	Revolving Credit Facility	Revolving Credit Facility		
I	Less than or equal to 0.75	1.75%	0.75%	1.75%	.875%
II	Less than or equal to 1.25 but greater than 0.75	2.00%	1.00%	2.00%	1.00%
III	Less than or equal to 1.75 but greater than 1.25	2.50%	1.50%	2.50%	1.25%
IV	Less than or equal to 2.25 but greater than 1.75	3.00%	2.00%	3.00%	1.50%
V	Greater than 2.25	3.25%	2.25%	3.25%	1.625%

CALCULATION OF INTEREST AND FEES:	No change to Existing Credit Agreement.
COST AND YIELD PROTECTION:	No change to Existing Credit Agreement.
EXPENSES:	No change to Existing Credit Agreement.

AMN HEALTHCARE SERVICES, INC
2001 STOCK OPTION PLAN
STOCK OPTION AGREEMENT

THIS STOCK OPTION AGREEMENT (the "Agreement"), made this May 8, 2003, by and between AMN Healthcare Services, Inc. (the "Company"), a Delaware corporation, and Andrew Stern (the "Optionee").

W I T N E S S E T H:

WHEREAS, the Company sponsors the AMN Healthcare Services, Inc. 2001 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 May 8, 2003.

(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 (S) 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 May 8, 2003 , 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 $9.68 per share (the "Option Price"), an aggregate of 6,000 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 33% of the Option on and after the first annual anniversary of the Grant Date, an additional 33% of the Option on and after the second anniversary of the Grant Date, and a final 34% of the Option on and after the third 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 twenty-four 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 twelve 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 twenty-four 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.

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: /s/ Steven C. Francis

Name: Steven C. Francis
Title: Chief Executive Officer

OPTIONEE

By: /s/ Andrew Stern

Name: Andrew Stern

AMN HEALTHCARE SERVICES, INC
2001 STOCK OPTION PLAN
STOCK OPTION AGREEMENT

THIS STOCK OPTION AGREEMENT (the "Agreement"), made this May 8, 2003, by and between AMN Healthcare Services, Inc. (the "Company"), a Delaware corporation, and Michael Gallagher (the "Optionee").

W I T N E S S E T H:

WHEREAS, the Company sponsors the AMN Healthcare Services, Inc. 2001 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 May 8, 2003.

(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 ss. 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 May 8, 2003 , 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 $9.68 per share (the "Option Price"), an aggregate of 6,000 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 33% of the Option on and after the first annual anniversary of the Grant Date, an additional 33% of the Option on and after the second anniversary of the Grant Date, and a final 34% of the Option on and after the third 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 twenty-four 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 twelve 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 twenty-four 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.

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: /s/ Steven C. Francis

Name: Steven C. Francis
Title: Chief Executive Officer

OPTIONEE

By: /s/ Michael Gallagher

Name: Michael Gallagher

AMN HEALTHCARE SERVICES, INC
2001 STOCK OPTION PLAN
STOCK OPTION AGREEMENT

THIS STOCK OPTION AGREEMENT (the "Agreement"), made this May 8, 2003, by and between AMN Healthcare Services, Inc. (the "Company"), a Delaware corporation, and William Miller III (the "Optionee").

W I T N E S S E T H:

WHEREAS, the Company sponsors the AMN Healthcare Services, Inc. 2001 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 May 8, 2003.

(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 (S) 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 May 8, 2003, 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 $9.68 per share (the "Option Price"), an aggregate of 6,000 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 33% of the Option on and after the first annual anniversary of the Grant Date, an additional 33% of the Option on and after the second anniversary of the Grant Date, and a final 34% of the Option on and after the third 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 twenty-four 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 twelve 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 twenty-four 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.

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: /s/ Steven C. Francis

Name: Steven C. Francis
Title: Chief Executive Officer

OPTIONEE

By: /s/ William Miller III

Name: William Miller III

AMN HEALTHCARE SERVICES, INC

2001 STOCK OPTION PLAN

STOCK OPTION AGREEMENT

THIS STOCK OPTION AGREEMENT (the "Agreement"), made this May 8, 2003, by and between AMN Healthcare Services, Inc. (the "Company"), a Delaware corporation, and Donald Myll (the "Optionee").

W I T N E S S E T H:

WHEREAS, the Company sponsors the AMN Healthcare Services, Inc. 2001 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 May 8, 2003.

(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 ss. 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 May 8, 2003, 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 $9.68 per share (the "Option Price"), an aggregate of 60,000 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 clause (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: /s/ Steven C. Francis

Name: Steven C. Francis
Title: Chief Executive Officer

OPTIONEE

By: /s/ Donald Myll

Name: Donald Myll

Exhibit (d)(40)

AMN HEALTHCARE SERVICES, INC

2001 STOCK OPTION PLAN

STOCK OPTION AGREEMENT

THIS STOCK OPTION AGREEMENT (the "Agreement"), made this May 8, 2003, by and between AMN Healthcare Services, Inc. (the "Company"), a Delaware corporation, and Susan R. Nowakowski (the "Optionee").

W I T N E S S E T H:

WHEREAS, the Company sponsors the AMN Healthcare Services, Inc. 2001 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 May 8, 2003.

(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 (S) 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 May 8, 2003, 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 $9.68 per share (the "Option Price"), an aggregate of 120,000 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 clause (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: /s/ Steven C. Francis

Name: Steven C. Francis
Title: Chief Executive Officer

OPTIONEE

By: /s/ Susan Nowakowski

Name: Susan Nowakowski

AMN HEALTHCARE SERVICES, INC

2001 STOCK OPTION PLAN

STOCK OPTION AGREEMENT

THIS STOCK OPTION AGREEMENT (the "Agreement"), made this May 8, 2003, by and between AMN Healthcare Services, Inc. (the "Company"), a Delaware corporation, and Steven C. Francis (the "Optionee").

W I T N E S S E T H:

WHEREAS, the Company sponsors the AMN Healthcare Services, Inc. 2001 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 May 8, 2003.

(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 ss. 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 May 8, 2003, 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 $9.68 per share (the "Option Price"), an aggregate of 200,000 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 clause (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: /s/ Susan R. Nowakowski

Name: Susan R. Nowakowski
Title: President

OPTIONEE

By: /s/ Steven C. Francis

Name: Steven C. Francis