

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 29, 2023



Cross Country Healthcare, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

0-33169
(Commission
File Number)

13-4066229
(I.R.S. Employer
Identification No.)

6551 Park of Commerce Boulevard, N.W., Boca Raton, Florida 33487
(Address of Principal Executive Office) (Zip Code)

(561) 998-2232
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol | Name of each exchange on which registered |
|--|-----------------------|--|
| Common stock, par value \$0.0001 per share | CCRN | The Nasdaq Stock Market LLC |

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement

On September 29, 2023, Cross Country Healthcare, Inc. (the "Company") amended its ABL Credit Agreement dated October 25, 2019, as amended, restated or otherwise modified from time to time, among the Company, substantially all of its wholly-owned subsidiaries, and Wells Fargo Bank N.A., as lender and administrative agent. The facility may be further syndicated at a later date. The amendment changes the minimum fixed charge coverage ratio from a maintenance covenant to a springing covenant based on excess availability, which provides for compliance with the covenant only during a compliance period (any time that excess availability falls below a certain threshold), and in such case, the financial covenant shall be tested during this period.

The foregoing description does not purport to be complete and is qualified in its entirety by reference to the full text of the Amended ABL Credit Agreement as filed as Exhibit 10.1 to this Form 8-K.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant

The information provided in Item 1.01 of this Current Report on Form 8-K is incorporated into Item 2.03 by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

ExhibitDescription

[10.1 Amendment No. 6 to ABL Credit Agreement, dated as of September 29, 2023, by and among Cross Country Healthcare, Inc. and certain of its domestic subsidiaries as borrowers or guarantors, and Wells Fargo Bank N.A., as administrative agent, collateral agent, and lender](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

CROSS COUNTRY HEALTHCARE, INC.

Dated: October 2, 2023

By: /s/ William J. Burns

William J. Burns

Executive Vice President & Chief Financial Officer

AMENDMENT NO. 6 TO ABL CREDIT AGREEMENT

AMENDMENT NO. 6 TO ABL CREDIT AGREEMENT, dated as of September 29, 2023 (this “Amendment No. 6”), is by and among Wells Fargo Bank, National Association, a national banking association, as administrative agent for each member of the Lender Group and the Bank Product Providers (in such capacity, together with its successors and assigns in such capacity, “Agent”), Wells Fargo Bank, National Association, a national banking association, in its capacity as sole lead arranger (in such capacity, together with its successors and assigns in such capacity, the “Lead Arranger”), Wells Fargo Bank, National Association, a national banking association as sole book runner (in such capacity, together with their successors and assigns in such capacity, the “Book Runner”), Wells Fargo Bank, National Association, a national banking association, as collateral agent (in such capacity, together with its successors and assigns in such capacity, “Collateral Agent”), Cross Country Healthcare, Inc., a Delaware corporation (“Parent”), Cejka Search, LLC, a Delaware limited liability company (“Cejka”), Cross Country Staffing, Inc., a Delaware corporation (“Cross Country Staffing”), Assignment America, LLC., a Delaware limited liability company (“Assignment America”), Travel Staff, LLC, a Delaware limited liability company (“Travel Staff”), Medical Doctor Associates, LLC, a Delaware limited liability company (“Medical Doctor”), OWS, LLC, a Delaware limited liability company (“OWS”), New Mediscan II, LLC, a California limited liability company (“New Mediscan”), Intellify Talent Solutions, LLC, a Delaware limited liability company (“Intellify”, and together with Parent, Cejka, Cross Country Staffing, Assignment America, Travel Staff, Medical Doctor, OWS, New Mediscan and those additional persons that hereafter become parties thereto as Borrowers in accordance with the terms thereof, each, a “Borrower” and individually and collectively, jointly and severally, the “Borrowers”), Cross Country Tech, LLC, a Delaware limited liability company (“Tech”), and Credent Verification and Licensing Services, LLC, a Delaware limited liability company (“Credent Verification”, and together with Tech and those additional persons that hereafter become parties thereto as Guarantors in accordance with the terms thereof, each, a “Guarantor” and individually and collectively, jointly and severally, the “Guarantors”).

WITNESSETH:

WHEREAS, Agent, Lenders, Borrowers and Guarantors have entered into senior secured asset-based revolving credit facility pursuant to which Lenders (or Agent on behalf of Lenders) have made and may make loans and advances and provide other financial accommodations to Borrowers as set forth in the ABL Credit Agreement, dated as of October 25, 2019, by and among Agent, Lenders, Borrowers and Guarantors, as amended by Amendment No. 1 to ABL Credit Agreement, dated as of June 30, 2020, by and among Agent, Lenders, Borrowers and Guarantors, Amendment No. 2 to ABL Credit Agreement and Amendment No. 1 to Guaranty and Security Agreement, dated as of March 8, 2021, by and among Agent, Lenders, Borrowers and Guarantors, Amendment No. 3 to ABL Credit Agreement, dated as of June 8, 2021, by and among Agent, Lenders, Borrowers and Guarantors, Amendment No. 4 to ABL Credit Agreement, dated as of November 18, 2021, and Amendment No. 5 to ABL Credit Agreement and Amendment No. 2 to Guaranty and Security Agreement, dated as of March 21, 2022, by and among Agent, Lenders, Borrowers and Guarantors (as the same is amended hereby and may from time to time hereafter be further amended, modified, supplemented, extended, renewed, restated or replaced, the “Credit Agreement”);

WHEREAS, Borrowers and Guarantors have requested that Agent and Lenders agree to certain amendments to the Credit Agreement and Agent and Lenders are willing to agree to such amendments subject to the terms and conditions contained herein;

WHEREAS, Agent, Lenders, Borrowers and Guarantors intend to evidence such amendments pursuant to the terms hereof;

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions; Interpretation.

1.1. Additional Definitions. The Credit Agreement is hereby amended to include, in addition and not in limitation, the following definitions:

“Amendment No. 6” means Amendment No. 6 to ABL Credit Agreement, dated as of September 29, 2023, by and among Agent, Lenders, Borrowers and Guarantors, as the same now exists or may hereafter be amended, amended and restated, modified, supplemented, extended, renewed, restated or replaced.

“Amendment No. 6 Effective Date” means the first date upon which each of the conditions set forth in Section 5 of the Amendment No. 6 have been satisfied (or waived in writing).

“Compliance Period” means each period commencing at any time that Excess Availability is less than the greater of (a) fifteen percent (15%) of the Loan Cap or (b) \$24,000,000 and continuing until Excess Availability has been greater than such greater amount for a period of thirty (30) consecutive days.

1.2. Interpretation. For purposes of this Amendment No. 6, all terms used herein which are not otherwise defined herein, including but not limited to, those terms used in the recitals hereto, shall have the respective meanings assigned thereto in the Credit Agreement.

2. Financial Covenant. Section 7 of the Credit Agreement is hereby amended to delete the “.” and add the following at the end thereof:

provided, that, compliance with such financial covenant shall only be required during a Compliance Period, in which case such financial covenant shall be tested as to the last day of the then most recently completed fiscal period for which financial statements have been delivered and as of the last day of each fiscal quarter thereafter until the Compliance Period ends.

3. Right to Cure. Section 9.3(a) of the Credit Agreement is hereby amended to delete the text thereof prior to clause (i) in its entirety and replace it with the following:

Notwithstanding anything to the contrary contained in Section 8, in the event that the Loan Parties fail (or, but for the operation of this Section 9.3, would fail) to comply with the requirements of the covenant set forth in Section 7, then until the expiration of the tenth (10th) Business Day subsequent to the date of the commencement of the applicable Compliance Period, or in the event that the Compliance Period is in effect the earlier of such tenth (10th) Business Day or the tenth (10th) Business Day subsequent to the date the Compliance Certificate is required to be delivered pursuant to Schedule 5.1(b) (such period of ten (10) Business Days, as applicable, the “Cure Period”), Loan Parties shall have the right to receive a cash equity contribution from any Person (other than a Loan Party or any of its Subsidiaries) for cash which it may specify as an increase to Consolidated EBITDA (such equity contribution, a “Specified Equity Contribution”), and upon the receipt by Loan Parties of such Specified Equity Contribution within the Cure Period, the covenant set forth in Section 7 shall be recalculated giving effect to the following pro forma adjustments (collectively, the “Cure Right”):

4. Representations and Warranties. Each Loan Party, jointly and severally, represents and warrants with and to Agent and Lenders as follows, which representations and warranties shall survive the execution and delivery hereof:

4.1. The execution, delivery and performance by each Loan Party of this Amendment No. 6 (a) has been duly authorized by all necessary corporate or other organizational action, and (b) does not and will not (i) violate any material provision of federal, state, or local law or regulation applicable to any Loan Party or any of its Subsidiaries, the Organization Documents of any Loan Party or any of its Subsidiaries, or any order, judgment, or decree of any court or other Governmental Authority binding on any Loan Party or any of its Subsidiaries in each case in any material respect, (ii) conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any material agreement of any Loan Party or any of its Subsidiaries where any such conflict, breach or default could individually or in the aggregate reasonably be expected to have a Material Adverse Effect, (iii) result in or require the creation or imposition of any Lien of any nature whatsoever upon any assets of any Loan Party, other than Permitted Liens, or (iv) require any approval of any holder of Equity Interests of a Loan Party or any approval or consent of any Person under any material agreement of any Loan Party, other than consents or approvals that have been obtained and that are still in force and effect and except, in the case of material agreements, for consents or approvals, the failure to obtain could not individually or in the aggregate reasonably be expected to have a Material Adverse Effect.

4.2. All of the representations and warranties of each Loan Party or its Subsidiaries contained in the Credit Agreement, the Security Agreement or any of the other Loan Documents are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality or Material Adverse Effect (or words of similar import) in the text thereof) on and as of the date hereof, as though made on and as of such date (except to the extent that such representations and warranties relate solely to an earlier date, in which case such representations and warranties shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality or Material Adverse Effect (or words of similar import in the text thereof) as of such earlier date).

4.3. The agreements and obligations of each Loan Party contained in this Amendment No. 6 constitute legal, valid and binding obligations of such Loan Party, enforceable against it in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

4.4. As of the Amendment No. 6 Effective Date, and after giving effect to this Amendment No. 6, no Default or Event of Default exists or has occurred and is continuing.

5. Conditions Precedent. This Amendment No. 6 shall be effective upon the satisfaction of each of the following conditions precedent:

5.1. Agent shall have received this Amendment No. 6, duly authorized, executed and delivered by the Required Lenders and Loan Parties;

5.2. as of the date of this Amendment No. 6, and after giving effect thereto, no Default or Event of Default shall exist or have occurred and be continuing;

5.3. each of the conditions set forth in this Section 5 shall be satisfied on or before September 30, 2023.

6. Effect of Amendment No. 6. Except as expressly set forth herein and in prior amendments, no other amendments, changes or modifications to the Loan Documents are intended or implied, and in all other respects the Loan Documents are hereby specifically ratified, restated and confirmed by all parties hereto as of the effective date hereof and the Loan Parties shall not be entitled to any other or further amendment by virtue of the provisions of this Amendment No. 6 or with respect to the subject matter of this Amendment No. 6. To the extent of conflict between the terms of this Amendment No. 6 and the other Loan Documents, the terms of this Amendment No. 6 shall control. The Credit Agreement and this Amendment No. 6 shall be read and construed as one agreement. This Amendment No. 6 is a Loan Document. The Credit Agreement remains in full force and effect, and nothing contained in this Amendment No. 6 will constitute a waiver of any right, power or remedy under the Credit Agreement, the Security Agreement or any other Loan Document.

7. Governing Law. The validity, interpretation and enforcement of this Amendment No. 6 and any dispute arising out of the relationship between the parties hereto whether in contract, tort, equity or otherwise, shall be governed by the internal laws of the State of New York but excluding any principles of conflicts of law or other rule of law that would cause the application of the law of any jurisdiction other than the laws of the State of New York.

8. Jury Trial Waiver. LOAN PARTIES, AGENT AND LENDERS EACH HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER THIS AMENDMENT NO. 6 OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO IN RESPECT OF THIS AMENDMENT NO. 6 OR THE TRANSACTIONS RELATED HERETO OR THERETO IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY OR OTHERWISE. LOAN PARTIES, AGENT AND LENDERS EACH HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT EACH LOAN PARTY, AGENT OR LENDER MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AMENDMENT NO. 6 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

9. Binding Effect. This Amendment No. 6 shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors and assigns.

10. Waiver, Modification, Etc. No provision or term of this Amendment No. 6 may be modified, altered, waived, discharged or terminated orally, but only by an instrument in writing executed by the party against whom such modification, alteration, waiver, discharge or termination is sought to be enforced.

11. Further Assurances. The Loan Parties shall execute and deliver such additional documents and take such additional action as may be reasonably requested by Agent to effectuate the provisions and purposes of this Amendment No. 6.

12. Entire Agreement. This Amendment No. 6, the Credit Agreement and the other Loan Documents represent the entire agreement and understanding concerning the subject matter hereof among the parties hereto, and supersedes all other prior agreements, understandings, negotiations and discussions, representations, warranties, commitments, proposals, offers and contracts concerning the subject matter hereof, whether oral or written.

13. Headings. The headings listed herein are for convenience only and do not constitute matters to be construed in interpreting this Amendment No. 6.

14. Counterparts. This Amendment No. 6, any documents executed in connection herewith and any notices delivered under this Amendment No. 6, may be executed by means of (i) an electronic signature that complies with the federal Electronic Signatures in Global and National Commerce Act, state enactments of the Uniform Electronic Transactions Act, or any other relevant and applicable electronic signatures law; (ii) an original manual signature; or (iii) a faxed, scanned, or photocopied manual signature. Each electronic signature or faxed, scanned, or photocopied manual signature shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature. Agent reserves the right, in its sole discretion, to accept, deny, or condition acceptance of any electronic signature on this Amendment No. 6 or on any notice delivered to Agent under this Amendment No. 6. This Amendment No. 6 and any notices delivered under this Amendment No. 6 may be executed in any number of counterparts, each of which shall be deemed to be an original, but such counterparts shall, together, constitute only one instrument. Delivery of an executed counterpart of a signature page of this Amendment No. 6 and any notices as set forth herein will be as effective as delivery of a manually executed counterpart of this Amendment No. 6 or notice.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 6 to be duly executed and delivered as of the day and year first above written.

BORROWERS:

CROSS COUNTRY HEALTHCARE, INC.

By: /s/ William Burns
Name: William Burns
Title: Vice President

CEJKA SEARCH, LLC

By: /s/ William Burns
Name: William Burns
Title: Vice President

CROSS COUNTRY STAFFING, INC.

By: /s/ William Burns
Name: William Burns
Title: Vice President

ASSIGNMENT AMERICA, LLC.

By: /s/ William Burns
Name: William Burns
Title: Vice President

TRAVEL STAFF, LLC

By: /s/ William Burns
Name: William Burns
Title: Vice President

OWS, LLC

By: /s/ William Burns
Name: William Burns
Title: Vice President

[Signature Page to Amendment No. 6 to ABL Credit Agreement (Cross Country)]

NEW MEDISCAN II, LLC

By: /s/ William Burns
Name: William Burns
Title: Vice President

MEDICAL DOCTOR ASSOCIATES, LLC

By: /s/ William Burns
Name: William Burns
Title: Vice President

INTELLIFY TALENT SOLUTIONS, LLC

By: /s/ William Burns
Name: William Burns
Title: CFO

GUARANTORS:

CROSS COUNTRY TECH, LLC

By: /s/ William Burns
Name: William Burns
Title: Vice President

CREDENT VERIFICATION AND LICENSING SERVICES, LLC

By: /s/ William Burns
Name: William Burns
Title: Vice President

[Signature Page to Amendment No. 6 to ABL Credit Agreement (Cross Country)]

**WELLS FARGO BANK, NATIONAL
ASSOCIATION,**

a national banking association, as Administrative Agent,
Collateral Agent and as a Lender

By: /s/ Rina Shinoda

Name: Rina Shinoda

Its Authorized Signatory

[Signature Page to Amendment No. 6 to ABL Credit Agreement (Cross Country)]

PNC BANK, NATIONAL ASSOCIATION, as a
Lender

By: /s/ Biana S. Musiyenko
Name: Biana S. Musiyenko
Its Authorized Signatory

[Signature Page to Amendment No. 6 to ABL Credit Agreement (Cross Country)]

REGIONS BANK, as a Lender

By: /s/ James T. Coleman
Name: James T. Coleman III
Its Authorized Signatory

[Signature Page to Amendment No. 6 to ABL Credit Agreement (Cross Country)]

THE HUNTINGTON NATIONAL BANK, as a
Lender

By: /s/ Daniel J. Flaherty
Name: Daniel J. Flaherty
Its Authorized Signatory

[Signature Page to Amendment No. 6 to ABL Credit Agreement (Cross Country)]