



Encore Capital Group Wins Settlement Approval

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SAN DIEGO, Aug. 12, 2011 /PRNewswire via COMTEX/ -- Encore Capital Group, and its wholly owned subsidiaries Midland Credit Management, Inc. and Midland Funding, LLC, has obtained a favorable federal court ruling approving the settlement of a national class action lawsuit involving the Company's legacy affidavit process.

"I am extremely pleased that Encore is able to put this matter in the past and resolve nearly three years of litigation in a fair and equitable way for consumers and the Company. As the judge indicated at the fairness hearing, there have been many 'rash' allegations made against the Company that simply had no basis in fact," Brandon Black, Encore President and CEO, said.

The original lawsuit, called *Brent*, was filed in 2008 and alleged that affidavits filed in debt collection lawsuits were defective because the person who signed the affidavits lacked personal knowledge of the underlying debts. In 2009, the Company made changes to its affidavit process, including revised language to make it clear that the signers' knowledge was based upon a review of the Company's business records.

"After years of litigation by multiple plaintiffs, there was no evidence that the Company's account data were false. The resolution of this case involved simple process improvements and language changes to Encore's affidavits that would allow the Company's account data to be admitted properly into court," Ronald Naves, Encore Senior Vice President, General Counsel and Corporate Secretary, said. "The alleged defects in the affidavits had no impact on whether or not the debt was owed," Mr. Naves added.

Encore is confident in the integrity and accuracy of its current affidavit process and in the validity of the data supporting the underlying debts that were at issue. The Company has been in business for nearly 57 years and has built a strong track record of purchasing delinquent accounts from major financial institutions and partnering with consumers to successfully resolve their financial obligations. Over the past decade, Encore has helped approximately two million consumers to retire a portion of their outstanding debt and work toward financial recovery.

Encore believes that it is in its best interest to treat all consumers with integrity and that the Company's interests are aligned with the interests of government agencies seeking to protect consumer rights. On March 21, 2011, Encore launched an industry-first [Consumer Bill of Rights](#), which formalized the Company's commitment to treating consumers with respect and integrity, while encouraging the entire industry to adopt the same best practices. As a leader in consumer debt buying and recovery, Encore expects to play a leading role in promoting an appropriate balance between corporate and consumer responsibility.

About Encore Capital Group, Inc.

Encore Capital Group is a leader in consumer debt buying and recovery. We purchase portfolios of defaulted consumer receivables from major banks, credit unions, and utility providers and partner with individuals as they repay their obligations and work toward financial recovery. Our success and future growth are driven by our sophisticated and widespread use of analytics, our broad investments in data and behavioral science, the significant cost advantages provided by both our operations in India and our enterprise-wide, account-level cost database, and our demonstrated commitment to conduct business ethically and in ways that support our consumers' financial recovery.

Headquartered in San Diego, we are a publicly traded NASDAQ Global Select company (ticker symbol: ECPG) and a component stock of both the Russell 2000 and Wilshire 4500. More information about the Company can be found at <http://www.encorecapital.com/>.

Forward Looking Statements

The statements in this press release that are not historical facts, including, most importantly, those statements preceded by, or that include, the words "may," "believe," "projects," "expects," "anticipates" or the negation thereof, or similar expressions, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (the Reform Act). These statements may include, but are not limited to, statements regarding our litigation, future operating results, performance, business plans or prospects. For all "forward-looking statements," the Company claims the protection of the safe harbor for forward-looking statements contained in the Reform Act. Such forward-looking statements involve risks, uncertainties and other factors which may cause actual results, performance or achievements of the Company and its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These risks, uncertainties and other factors are discussed in the reports filed by the Company with the Securities and Exchange Commission, including the most recent reports on Forms 10-K, 10-Q and 8-K, each as it may be amended from time to time. The Company disclaims any intent or obligation to update these forward-looking statements.

For media inquiries, please contact:

Mike Huckman
MSLGROUP, for Encore Capital mike.huckman@mslgroup.com
(212) 468-3968

or

Mary McCeney
MSLGROUP, for Encore Capital mary.mcceney@mslgroup.com
(212) 468-4053

