

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): August 2, 2005

**Encore Capital Group, Inc.**

(Exact Name of Registrant as Specified in its Charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

000-26489  
(Commission File Number)

48-1090909  
(I.R.S Employer  
Identification No.)

8875 Aero Drive, Suite 200  
San Diego, California 92123  
(Address of Principal Executive Offices) (Zip Code)

(877) 445-4581  
(Registrant's Telephone Number, Including Area Code)

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 (see General Instruction A.2. below):

- 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))

**Item 1.01. Entry into a Material Definitive Agreement**

On August 2, 2005, the Compensation Committee ("Committee") of the Board of Directors (the "Board") of Encore Capital Group, Inc. (the "Company") approved the following executive compensation arrangements:

**Executive Base Salary**

The Compensation Committee approved a base salary of \$250,000 for Ron Eckhardt, Executive Vice President and General Manager.

**Executive Bonus Target**

The Committee approved a 2005 performance plan bonus target for Ron Eckhardt, Executive Vice President and General Manager, of 50% of base salary. The actual bonus payable will be determined by the Compensation Committee in its discretion, based upon Company and individual performance relative to objectives agreed to in advance.

**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.

**ENCORE CAPITAL GROUP, INC.**

/s/ Paul Grinberg

Date: August 8, 2005

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Paul Grinberg  
Executive Vice President,  
Chief Financial Officer and Treasurer

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