

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 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): December 27, 2007

**ENCORE CAPITAL GROUP, INC.**

(Exact Name of Registrant as Specified in Charter)

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**000-26489**  
(Commission File  
Number)

**48-1090909**  
(IRS Employer  
Identification No.)

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

**92123**  
(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.**

Effective December 27, 2007, we entered into an amendment to our senior secured revolving credit facility with JPMorgan Chase Bank, N.A. (“JPMorgan”), as administrative agent, and the additional lenders named in the amendment.

The amendment expands the size of the facility to \$230 million, with an accordion feature that provides for an additional \$70 million in availability. As a result, the allocated revolving loan commitments of each of the lenders under the facility has been increased as stated in the amendment.

The above summary of the amendment is qualified in its entirety by reference to the copy of the amendment attached hereto as Exhibit 10.1 and incorporated by reference herein.

**Item 9.01. Financial Statements and Exhibits.**

**(d) Exhibits.**

<u>Exhibit Number</u>	<u>Description</u>
10.1	Amendment No. 6 to the Credit Agreement dated as of June 7, 2005 among Encore Capital Group, Inc., the Lenders parties thereto and JPMorgan Chase Bank, N.A. as Administrative Agent, effective as of December 27, 2007

**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.

Date: December 27, 2007

/s/ Paul Grinberg

Paul Grinberg

Executive Vice President and Chief Financial Officer

**EXHIBIT INDEX**

**Exhibit  
Number**

**Description**

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10.1 Amendment No. 6 to the Credit Agreement dated as of June 7, 2005 among Encore Capital Group, Inc., the Lenders parties thereto and JPMorgan Chase Bank, N.A. as Administrative Agent, effective as of December 27, 2007

## AMENDMENT NO. 6

Dated as of December 27, 2007

to

## CREDIT AGREEMENT

Dated as of June 7, 2005

THIS AMENDMENT NO. 6 ("Amendment") is made as of December 27, 2007 by and among Encore Capital Group, Inc. (the "Borrower"), the financial institutions listed on the signature pages hereof (the "Lenders") and JPMorgan Chase Bank, National Association, as Administrative Agent (the "Agent"), under that certain Credit Agreement dated as of June 7, 2005 by and among the Borrower, the Lenders and the Agent (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"). Capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to them in the Credit Agreement.

WHEREAS, the Borrower has requested that the Lenders and the Agent agree to certain amendments to the Credit Agreement;

WHEREAS, the Lenders party hereto and the Agent have agreed to such amendments on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower, the Lenders party hereto and the Agent have agreed to enter into this Amendment.

1. Amendments to Credit Agreement. Effective as of the date of satisfaction of the conditions precedent set forth in Section 2 below, the Credit Agreement is amended as follows:

(a) The proviso appearing in the first sentence of Section 2.5.3(i) of the Credit Agreement is amended and restated in its entirety as follows:

provided that (A) the Aggregate Revolving Loan Commitment shall at no time exceed \$300,000,000 minus the aggregate amount of all reductions in the Aggregate Revolving Loan Commitment previously made pursuant to Section 2.5.2; (B) such request shall be in an amount not less than \$5,000,000; and (C) the aggregate amount of such increase shall not exceed \$70,000,000.

(b) The Revolving Loan Commitments of certain of the Lenders are amended and increased and therefore, upon the effectiveness hereof, the Revolving Loan Commitments of all of the Lenders are amended as set forth in the schedule on Annex I hereto. The Borrower hereby agrees to compensate each Lender for any and all losses, expenses and liabilities incurred by such Lender in connection with the sale and assignment of any Eurodollar Loans and the reallocation described in Section 2(a) below, in each case on the terms and in the manner set forth in Section 3.4 of the Credit Agreement.

2. Conditions of Effectiveness. The effectiveness of this Amendment is subject to the conditions precedent that (a) in connection with the assignments and increases described in Section 1(j) above, the Agent and the Lenders shall have administered the reallocation of the Aggregate Outstanding Revolving Credit Exposure among the Lenders such that after giving effect to the reallocations of the Revolving Loan Commitments, each Lender's Revolving Loan Pro Rata Share of the Aggregate Outstanding Revolving Credit Exposure is equal to such Lender's Revolving Loan Pro Rata Share of the Aggregate Revolving Loan Commitments, (b) the Agent shall have received (i) counterparts of this Amendment duly executed by the Borrower, the Lenders and the Agent and the Consent and Reaffirmation attached hereto duly executed by the Guarantors, (ii) such other opinions, instruments and documents as are reasonably requested by the Agent, (iii) for the ratable account of each Lender with a Revolving Loan Commitment being increased, an upfront fee in an amount equal to 0.10% of such Lender's incremental portion of its increased Revolving Loan Commitment and (c) the Borrower shall have paid, to the extent invoiced, all expenses of the Agent (including attorneys' fees and expenses) in connection with this Amendment and the other Loan Documents.

3. Representations and Warranties of the Borrower. The Borrower hereby represents and warrants as follows:

(a) This Amendment and the Credit Agreement as amended hereby constitute legal, valid and binding obligations of the Borrower and are enforceable against the Borrower in accordance with their terms.

(b) As of the date hereof and giving effect to the terms of this Amendment, (i) there exists no Default or Unmatured Default and (ii) the representations and warranties contained in Article V of the Credit Agreement, as amended hereby, are true and correct, except for representations and warranties made with reference solely to an earlier date.

4. Reference to and Effect on the Credit Agreement.

(a) Upon the effectiveness hereof, each reference to the Credit Agreement in the Credit Agreement or any other Loan Document shall mean and be a reference to the Credit Agreement as amended hereby.

(b) Except as specifically amended above, the Credit Agreement and all other documents, instruments and agreements executed and/or delivered in connection therewith shall remain in full force and effect and are hereby ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Agent or the Lenders, nor constitute a waiver of any provision of the Credit Agreement or any other documents, instruments and agreements executed and/or delivered in connection therewith.

5. Governing Law. This Amendment shall be governed by and construed in accordance with the internal laws of the State of New York, but giving effect to federal laws applicable to national banks.

6. Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

7. Counterparts. This Amendment may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

[Signature Pages Follow]

IN WITNESS WHEREOF, this Amendment has been duly executed as of the day and year first above written.

**ENCORE CAPITAL GROUP, INC.,**  
as the Borrower

By: /s/ J. Brandon Black

Name: J. Brandon Black

Title: President & CEO

Signature Page to Amendment No. 6  
Encore Capital Group, Inc.  
Credit Agreement dated as of June 7, 2005



**JPMORGAN CHASE BANK,  
NATIONAL ASSOCIATION,**  
as Administrative Agent, as LC Issuer and as a Lender

By:  /s/ Steven J. Krakoski

Name: Steven J. Krakoski

Title: Senior Vice President

Signature Page to Amendment No. 6  
Encore Capital Group, Inc.  
Credit Agreement dated as of June 7, 2005

**BANK OF SCOTLAND plc**, as a Lender

By: /s/ Karen Weich

Name: Karen Weich

Title: Vice President

Signature Page to Amendment No. 6  
Encore Capital Group, Inc.  
Credit Agreement dated as of June 7, 2005

**BANK OF AMERICA, N.A.**, as a Lender

By: /s/ Gordon Wiens

Name: Gordon Wiens

Title: Senior Vice President

Signature Page to Amendment No. 6  
Encore Capital Group, Inc.  
Credit Agreement dated as of June 7, 2005

By: /s/ Michael Powell

Name: Michael Powell

Title: Senior Vice President

Signature Page to Amendment No. 6  
Encore Capital Group, Inc.  
Credit Agreement dated as of June 7, 2005

**GUARANTY BANK**, as a Lender

By: /s/ Jeremy Jackson

Name: Jeremy Jackson

Title: Vice President

Signature Page to Amendment No. 6  
Encore Capital Group, Inc.  
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**FIRST BANK**, as a Lender

By: /s/ Gilmore Hector

Name: Gilmore Hector

Title: Vice President

Signature Page to Amendment No. 6  
Encore Capital Group, Inc.  
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**CITIBANK, N.A.**, as a Lender

By: /s/ Doug Bontemps

Name: Doug Bontemps

Title: Vice President

Signature Page to Amendment No. 6  
Encore Capital Group, Inc.  
Credit Agreement dated as of June 7, 2005

**BANK LEUMI USA, as a Lender**

By: /s/ Stephen Serber

Name: Stephen Serber

Title: Vice President

Signature Page to Amendment No. 6  
Encore Capital Group, Inc.  
Credit Agreement dated as of June 7, 2005



**MANUFACTURERS BANK**, as a Lender

By: /s/ Maureen Kelly

Name: Maureen Kelly

Title: Vice President

Signature Page to Amendment No. 6  
Encore Capital Group, Inc.  
Credit Agreement dated as of June 7, 2005

CONSENT AND REAFFIRMATION

Each of the undersigned hereby acknowledges receipt of a copy of the foregoing Amendment No. 6 to the Credit Agreement dated as of June 7, 2005 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") by and among Encore Capital Group, Inc. (the "Borrower"), the financial institutions from time to time party thereto (the "Lenders") and JPMorgan Chase Bank, National Association, in its individual capacity as a Lender and in its capacity as contractual representative (the "Agent"), which Amendment No. 6 is dated as of December 27, 2007 (the "Amendment"). Capitalized terms used in this Consent and Reaffirmation and not defined herein shall have the meanings given to them in the Credit Agreement. Without in any way establishing a course of dealing by the Agent or any Lender, each of the undersigned consents to the Amendment and reaffirms the terms and conditions of the Guaranty Agreement, the Pledge and Security Agreement and any other Loan Document executed by it and acknowledges and agrees that such agreement and each and every such Loan Document executed by the undersigned in connection with the Credit Agreement remains in full force and effect and is hereby reaffirmed, ratified and confirmed. All references to the Credit Agreement contained in the above-referenced documents shall be a reference to the Credit Agreement as so modified by the Amendment and as the same may from time to time hereafter be amended, modified or restated.

Dated: December 27, 2007

[Signature Page Follows]

MIDLAND CREDIT MANAGEMENT, INC. , as a Guarantor

By: /s/ J. Brandon Black  
Name: J. Brandon Black  
Title: President & CEO

ASCENSION CAPITAL GROUP, INC., as a Guarantor

By: /s/ J. Brandon Black  
Name: J. Brandon Black  
Title: Vice President

MIDLAND INTERNATIONAL LLC, as a Guarantor

By: MIDLAND CREDIT MANAGEMENT, INC., its Sole Member

By: /s/ J. Brandon Black  
Name: J. Brandon Black  
Title: President & CEO

MRC RECEIVABLES CORPORATION, as a Guarantor

By: /s/ J. Brandon Black  
Name: J. Brandon Black  
Title: President

MIDLAND FUNDING NCC-2 CORPORATION, as a Guarantor

By: /s/ J. Brandon Black  
Name: J. Brandon Black  
Title: President

MIDLAND PORTFOLIO SERVICES, INC., as a Guarantor

By: /s/ J. Brandon Black  
Name: J. Brandon Black  
Title: President

MIDLAND FUNDING LLC, as a Guarantor

By: /s/ J. Brandon Black  
Name: J. Brandon Black  
Title: President

Signature Page to Consent and Reaffirmation to Amendment No. 6  
Encore Capital Group, Inc.  
Credit Agreement dated as of June 7, 2005

**ANNEX I**

**Revolving Loan Commitments**

<b>Lender</b>	<b>Amount of Revolving Loan Commitment</b>	<b>% of Aggregate Revolving Loan Commitment</b>
JPMorgan Chase Bank, National Association	\$ 47,500,000	20.6521739130%
Bank of America, N.A.	\$ 42,500,000	18.4782608696%
Bank of Scotland plc	\$ 35,000,000	15.2173913043%
California Bank & Trust	\$ 30,000,000	13.0434782609%
Guaranty Bank	\$ 20,000,000	8.6956521739%
First Bank	\$ 20,000,000	8.6956521739%
Citibank, N.A.	\$ 15,000,000	6.5217391304%
Bank Leumi USA	\$ 12,500,000	5.4347826087%
Manufacturers Bank	\$ 7,500,000	3.2608695652%
<b>TOTAL</b>	<b>\$ 230,000,000</b>	<b>100%</b>