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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

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**FORM 8-K**

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**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 8, 2009**

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**ENCORE CAPITAL GROUP, INC.**

(Exact Name of Registrant as Specified in Charter)

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**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)

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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))
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**Item 8.01 Other Events.**

On September 8, 2009, Encore Capital Group, Inc. announced that it has settled a dispute with Jefferson Capital Systems, LLC and its parent, CompuCredit Corporation, under various agreements among the parties. Under the terms of the settlement, Encore's obligations relating to the purchase and delivery of accounts under the Asset Purchase and Forward Flow Agreement dated June 2, 2005, as amended, as well as the related Balance Transfer Agreement dated the same date were satisfied through its purchase of a large portfolio of charged-off credit card accounts on commercially reasonable terms and the resumption of the balance transfer program with Jefferson Capital. Encore's forward flow asset of \$10.3 million as of June 30, 2009 will be fully allocated to the purchase of this portfolio.

Encore also agreed to return to Jefferson Capital certain accounts that are subject to a settlement among Jefferson Capital, CompuCredit, the Federal Trade Commission and Federal Deposit Insurance Corporation. We do not believe that the return of these accounts will have a material effect on our consolidated financial position or results of operations.

A copy of Encore's press release dated September 8, 2009 is attached hereto as Exhibit 99.1.

The information in this Current Report on Form 8-K, including Exhibit 99.1 furnished herewith, is being furnished and shall not be deemed "filed" for any purpose of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of such Section. The information in this current report on Form 8-K shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release dated September 8, 2009.

**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: September 8, 2009

/s/ Paul Grinberg

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Paul Grinberg

Executive Vice President,

Chief Financial Officer and Treasurer

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**Exhibit Index**

**Exhibit  
Number**  
99.1

**Description**  
Press Release dated September 8, 2009.

**Press Release****Encore Capital Group Settles Legal Dispute**

**SAN DIEGO, September 8, 2009** /PRNewswire-FirstCall/ — Encore Capital Group, Inc. (Nasdaq: ECPG), a leading distressed consumer debt management company, today announced that it has settled a pending legal dispute with Jefferson Capital Systems, LLC and its parent, CompuCredit Corporation.

Under the terms of the settlement, all of the parties' obligations relating to the purchase and delivery of accounts under the Asset Purchase and Forward Flow Agreement dated June 2, 2005, as amended, as well as the related Balance Transfer Agreement dated the same date were satisfied through Encore's purchase of a large portfolio of charged-off credit card accounts on commercially reasonable terms and the resumption of the balance transfer program with Jefferson Capital.

Encore's CEO J. Brandon Black stated: "We are pleased that we have resolved this in a way that allows the two companies to work together again. We are looking forward to putting the arbitration behind us and focusing all of our efforts on the continued expansion of our business."

**About Encore Capital Group, Inc.**

Encore Capital Group, Inc. is a systems-driven purchaser and manager of charged-off consumer receivables portfolios. More information on the Company can be found at [www.encorecapitalgroup.com](http://www.encorecapitalgroup.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 resolution of the pending dispute, future relationship with Jefferson Capital, and the Company's future business expansion. 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 from time to time in the reports filed by the Company with the Securities and Exchange Commission, including the Annual Report on Form 10-K for the fiscal year ended December 31, 2008. The Company disclaims any intent or obligation to update these forward-looking statements.*

**Contact:**

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SOURCE Encore Capital Group, Inc.