SEC Form 4	
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FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934

OMB APPR	OVAL
OMB Number:	3235-0287
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					0	J Section		counteri	. 00111	pany Act of 19	040					
1. Name and Address of Reporting Person [*] MESDAG WILLEM					2. Issuer Name and Ticker or Trading Symbol ENCORE CAPITAL GROUP INC [ECPG]							5. Relationship of Reporting Person(s) to Issuer (Check all applicable)				
WESDAG WILLEW										L			Director	X	10% Owner	
	ANTA MO	First) DNICA I	(N BOULEVA	/liddle) ARD		3. Date of Earliest Transaction (Month/Day/Year) 01/03/2011						Officer (give title below)		Other (specify below)		
SUITE 925				4.	. If Amen	ndment, Date of (Driginal	Filed	(Month/Day/Y	ear)		6. Individual or Joint/Group Filing (Check Applicable				
(Street) LOS AN	GELES (CA	9	0067								Line)	Form filed by On Form filed by Mo Person	•		
(City)	(State)	(Z	Zip)												
			Table	e I - Non	-Derivativ	ve Sec	curities Acqu	iired,	Disp	osed of, c	or Ben	eficially	Owned			
D																
1. Title of S	Security (In	str. 3)		I	2. Transaction Date (Month/Day/Y	Year) E	2A. Deemed Execution Date, f any Month/Day/Year)	3. Transa Code (l 8)		4. Securities Disposed Of 5)	Acquired (D) (Instr	(A) or . 3, 4 and	5. Amount of Securities Beneficially Owned Following Benorted	6. Owners Form: Dir (D) or Ind (I) (Instr. 4	ect of Indirect irect Beneficial 4) Ownership	
1. Title of S	Security (In	str. 3)		I	Date	Year) E	Execution Date, f any	Transa Code (Disposed Of	Acquired (D) (Instr (A) or (D)	(A) or . 3, 4 and Price	Securities Beneficially	Form: Dir (D) or Ind	ect of Indirect irect Beneficial	
1. Title of s		str. 3)		I	Date	Year) E (M	Execution Date, f any	Transa Code (8)	Instr.	Disposed Of 5)	(D) (Instr	. 3, 4 and	Securities Beneficially Owned Following Reported Transaction(s)	Form: Dir (D) or Ind	ect of Indirect irect Beneficial 4) Ownership	
	Stock	str. 3)		I	Date (Month/Day/Y	Year) E (M	Execution Date, f any	Transa Code (1 8) Code	Instr.	Disposed Of 5) Amount	(D) (Instr (A) or (D)	3, 4 and Price	Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	Form: Dir (D) or Ind (I) (Instr. 4	ect of Indirect irect Beneficial 4) Ownership	
Common	Stock Stock	str. 3)		I	Date (Month/Day/Y	Year) E (M	Execution Date, f any	Transa Code (1 8) Code	Instr.	Disposed Of 5) Amount	(D) (Instr (A) or (D)	3, 4 and Price	Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) 21,826 ⁽²⁾	Form: Dir (D) or Ind (I) (Instr. 4	ect of Indirect Beneficial Ownership (Instr. 4)	
Common	Stock Stock	str. 3)	Ta	ble II - D	Date (Month/Day/Y 01/03/201 erivative	Year) [11 ⁽¹⁾ Secur	Execution Date, f any	Transa Code (8) Code A ed, Di	v spos	Disposed Of 5) Amount 1,050 Seed of, or	(D) (Instr (A) or (D) A Benefi	Price \$0 cially O	Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) 21,826 ⁽²⁾ 748,009 ⁽³⁾ 2,687,053 ⁽⁴⁾	Form: Dir (D) or Ind (I) (Instr. 4 D	ect irect beneficial Ownership (Instr. 4) Through RMCP II Through RMCP	

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	Execution Date,	Execution Date, if any		Transaction Code (Instr.		mber rities iired r osed) : 3, 4	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	v	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares						
	nd Address of AG WILI	Reporting Person [*]															
(Last) 10100 SA SUITE 9	ANTA MOI	(First) NICA BOULEV2	(Middle) ARD														
(Street) LOS AN	GELES	CA	90067														
(City)		(State)	(Zip)														
		Reporting Person [*]	PARTNERS	LLC													

(Last)	(First)	(Middle)
10100 SANTA MO	ONICA BOUL	EVARD
SUITE 925		
(Street)		
LOS ANGELES	CA	90067

(State)

(Zip)

(City)

1. Name and Address of RED MOUNTA	f Reporting Person [*] AIN CAPITAL PA	ARTNERS III,
(Last) 10100 SANTA MO SUITE 925	(First) NICA BOULEVARI	(Middle)
(Street) LOS ANGELES	СА	90067
(City)	(State)	(Zip)
1. Name and Address o <u>RMCP GP LLC</u>		
(Last) 10100 SANTA MO SUITE 925	(First) NICA BOULEVARI	(Middle)
(Street) LOS ANGELES	CA	90067
(City)	(State)	(Zip)
1. Name and Address o <u>RED MOUNTA</u> <u>INC</u>	f Reporting Person [*] AIN CAPITAL M	ANAGEMENT
(Last) 10100 SANTA MO SUITE 925	(First) NICA BOULEVARI	(Middle) D
(Street) LOS ANGELES	CA	90067
(0)		
(City)	(State)	(Zip)
1. Name and Address o		
1. Name and Address of <u>RED MOUNTA</u> <u>L.P.</u> (Last)	f Reporting Person*	ARTNERS II, (Middle)
1. Name and Address of <u>RED MOUNTA</u> <u>L.P.</u> (Last) 10100 SANTA MO	f Reporting Person [*] <u>IIN CAPITAL PA</u> (First)	ARTNERS II, (Middle)

Explanation of Responses:

1. On January 3, 2011, Encore Capital Group, Inc. ("Encore") issued 1,050 deferred issuance restricted stock units ("RSUs") to Willem Mesdag, under the Encore 2005 Stock Incentive Plan, in connection with his service as a member of Encore's board of directors.

2. These shares are in the form of RSUs. Each RSU represents the right to receive one share of Encore common stock. All of these RSUs are fully vested.

3. These shares are held directly by Red Mountain Capital Partners II, L.P. ("RMCP II").

4. These shares are held directly by Red Mountain Capital Partners III, L.P. ("RMCP III").

Remarks:

This Form 4 is jointly filed by (i) RMCP II, (ii) RMCP GP LLC ("RMCP GP LLC ("RMCP GP"), (iv) Red Mountain Capital Partners LLC ("RMCP LLC"), (v) Red Mountain Capital Management, Inc. ("RMCM"), and (vi) Mr. Mesdag. RMCP GP is the general partner of each of RMCP II and RMCP III. RMCP LLC is the managing member of RMCP GP. RMCM is the managing member of RMCP LLC. Mr. Mesdag is the president, sole executive officer, sole director and sole shareholder of RMCM. Mr. Mesdag is also a director of Encore. Each of Mr. Mesdag, RMCM, RMCP LLC and RMCP GP, by virtue of their direct or indirect control of RMCP III and RMCP III, may be deemed to beneficially own some or all of the securities therein. In addition, RMCP III disclaims beneficial ownership of any securities held directly by RMCP II. This Form 4 shall not be deemed to be an admission that any reporting person hereunder is the beneficial owner of any of the reported securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose.

<u>/s/ Willem Mesdag (on behalf</u> of himself and the Red <u>Mountain Entities)</u>

01/05/2011

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.