

UPDATE – Encore Capital Group Enhances Credit Reporting Policy to Help Consumers

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New solution will help consumers move forward after repaying their debts

SAN DIEGO, Jan. 10, 2017 (GLOBE NEWSWIRE) -- [Encore Capital Group](#), Inc. (NASDAQ:ECPG), an international specialty finance company, today announced it has enhanced its credit reporting policy for collections tradelines, dramatically shortening the time certain negative information remains on a consumer's credit report. Now, after only two years, rather than the current industry-standard seven-year period, all of Encore's U.S. subsidiaries (Midland Credit Management, Midland Funding, Asset Acceptance, Atlantic Credit & Finance) will remove credit report tradelines (the payment history of a consumer's credit account provided to the major credit reporting agencies) on accounts where the consumer has paid or otherwise settled their debt. Encore is the first debt recovery solutions company to adopt such a consumer-centric policy. This policy change is important for consumers seeking to re-establish their financial independence after working hard to pay off a debt.

"We've listened to our consumers and analyzed the impact that the current system has on them," said Kenneth A. Vecchione, president and CEO of Encore. "The changes we're making today provide a tangible solution that will help them move toward a better life."

A significant challenge with current practices that maintain negative tradelines for seven years, even after a debt has long been paid or resolved, is that many consumers feel their only alternative for nearer-term resolution is to dispute the debt in question. This practice often occurs repeatedly, even if they know the debt was legitimate and they were responsible for its payment. By maintaining that accurate, but negative, information for seven years, the current credit reporting and scoring system provides limited incentive to pay off an underlying debt.

"Many times people find themselves in a position to bounce back from financial setbacks, but there remain hurdles like the standard tradeline policy that hinder recovery," said John Fisher, chief relationship officer of [Money Management International](#), a nonprofit, full-service credit counseling agency. "With this decision, Encore is helping remove a barrier for people working hard to make progress in their financial lives."

Based on Encore's policy change, effective immediately, existing credit reporting for its consumers on any account will be removed when:

- The account reflects that it has been paid in full or settled; and
- It has been more than two years since the account's date of delinquency.

"Encore's tradeline policy change is a huge benefit for consumers who have stepped up to pay off their debt obligations," said Steve Rhode, consumer advocate and author of [GetOutOfDebt.org](#). "I know personally how important this can be to those who are trying to earn a second chance."

"This update to our credit reporting policy is the latest step in our efforts to provide better solutions for consumers that help them live better lives," said Vecchione. "Whether it's recent legislation we've supported on identity theft or the way our people work to connect with consumers every day, I'm proud of our continued efforts to help improve the financial futures of all Americans."

For further details of this new consumer-centric solution, please go to:

<https://www.midlandcreditonline.com/help-center/credit-reporting/>

About Encore Capital Group, Inc.

Encore Capital Group is an international specialty finance company that provides debt recovery solutions for consumers across a broad range of assets. Through its subsidiaries around the globe, Encore purchases portfolios of consumer

receivables from major banks, credit unions and utility providers.

Encore partners with individuals as they repay their debt obligations, helping them on the road to financial recovery and ultimately improving their economic well-being. Encore is the first and only company of its kind to operate with a [Consumer Bill of Rights](#) that provides industry-leading commitments to consumers. Headquartered in San Diego, Encore is a publicly traded NASDAQ Global Select company (ticker symbol: ECPG) and a component stock of the Russell 2000, the S&P Small Cap 600 and the Wilshire 4500. More information about the company can be found at <http://www.encorecapital.com>. More information about the Company's Cabot Credit Management subsidiary can be found at <http://www.cabotcm.com>. Information found on the company's or Cabot's website is not incorporated by reference.

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