

**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

August 30, 2019

Date of report (Date of earliest event reported)

ENCORE CAPITAL GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

000-26489

(Commission File Number)

48-1090909

(IRS Employer Identification No.)

350 Camino de la Reina, Suite 100

San Diego, California 92108

(Address of principal executive offices)(Zip Code)

(877) 445-4581

(Registrant's telephone number, including area code)

Not applicable

(Former name or former address, if changed since last report.)

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:

- 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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 Par Value Per Share	ECPG	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01. Entry into a Material Definitive Agreement.

On August 30, 2019, Encore Capital Group, Inc. entered into Amendment No. 3 to the Third Amended and Restated Credit Agreement dated as of December 20, 2016 (“Amendment No. 3”), by and among Encore Capital Group, Inc., as borrower, the guarantor parties thereto, the lenders thereto and SunTrust Bank, as administrative agent, and Amendment No.1 to the Third Amended and Restated Senior Secured Note Purchase Agreement dated as of August 11, 2017 (“Amendment No. 1”), by and among Encore Capital Group, Inc., as issuer, and the noteholder parties thereto, to, among other things, refine certain covenants in each agreement.

Copies of Amendment No. 3 and Amendment No. 1 are attached as exhibits to this report and are incorporated herein by reference (and this description is qualified in its entirety by reference to such documents).

Item 8.01. Other Events.

On September 3, 2019, Encore Capital Group, Inc. issued a press release announcing its intention to offer \$100,000,000 aggregate principal amount of convertible senior notes due 2025 in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended. A copy of the press release is attached as Exhibit 99.1 and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
10.1	Amendment No. 3 to Third Amended and Restated Credit Agreement, dated August 30, 2019, by and among Encore Capital Group, Inc., the several banks and other financial institutions and lenders from time to time party thereto and listed on the signature pages thereof, and SunTrust Bank, as administrative agent and collateral agent
10.2	Amendment No.1 to the Third Amended and Restated Senior Secured Note Purchase Agreement, dated August 30, 2019, by and among Encore Capital Group, Inc. and the noteholder parties thereto
99.1	Press Release dated September 3, 2019

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 3, 2019

/s/ Jonathan C. Clark

Jonathan C. Clark

Executive Vice President, Chief Financial Officer and
Treasurer

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
10.1	<u>Amendment No. 3 to Third Amended and Restated Credit Agreement, dated August 30, 2019, by and among Encore Capital Group, Inc., the several banks and other financial institutions and lenders from time to time party thereto and listed on the signature pages thereof, and SunTrust Bank, as administrative agent and collateral agent</u>
10.2	<u>Amendment No.1 to the Third Amended and Restated Senior Secured Note Purchase Agreement, dated August 30, 2019, by and among Encore Capital Group, Inc. and the noteholder parties thereto</u>
99.1	<u>Press Release dated September 3, 2019</u>

AMENDMENT NO. 3 TO
THIRD AMENDED AND RESTATED CREDIT AGREEMENT

This AMENDMENT NO. 3 TO THIRD AMENDED AND RESTATED CREDIT AGREEMENT (this “Amendment”), dated as of August 30, 2019, is entered into by and among ENCORE CAPITAL GROUP, INC., a Delaware corporation (the “Borrower”), the Guarantors identified on the signature pages hereto, the Lenders party hereto, and SUNTRUST BANK, as Administrative Agent (in such capacity, the “Administrative Agent”), Collateral Agent, Swingline Lender and Issuing Bank.

RECITALS

WHEREAS, the Borrower, the Lenders and the Administrative Agent are parties to that certain Third Amended and Restated Credit Agreement dated as of December 20, 2016 (as the same has been amended, restated, waived, extended, supplemented or otherwise modified prior to the date hereof, the “Credit Agreement”), pursuant to which the Lenders have extended revolving credit and term loan facilities to the Borrower; and

WHEREAS, the Borrower has requested certain amendments to the Credit Agreement as set forth herein, and the Administrative Agent, the Collateral Agent, the Swingline Lender, the Issuing Bank and the undersigned Lenders have agreed to such amendments, subject to the terms and conditions of this Amendment.

NOW, THEREFORE, for valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **Defined Terms**. Unless otherwise defined herein, capitalized terms used herein shall have the meanings assigned to such terms in the Credit Agreement, as amended by this Amendment.

2. **Amendments to Credit Agreement**. Subject to the terms and conditions hereof and with effect as set forth in Section 4 below, on the Amendment Effective Date (as defined in Section 4 below) the Credit Agreement is hereby amended as follows:

(a) Section 7.1 of the Credit Agreement is hereby amended by restating clause (d) thereof in its entirety to read as follows:

(d) (i) Capitalized Leases entered into by the Borrower or any of its Restricted Subsidiaries after the Closing Date and (ii) secured or unsecured purchase money Indebtedness incurred by the Borrower or any of its Restricted Subsidiaries after the Closing Date (so long as the total of all such Indebtedness incurred pursuant to this clause (ii) on or after the Closing Date taken together, when aggregated with the Indebtedness permitted under clause (i) of this Section 7.1, shall not exceed an aggregate principal amount of \$20,000,000 at any one time outstanding); *provided* that with respect to any Indebtedness described in the immediately preceding clauses (i) or (ii), (1) such Indebtedness shall be incurred to finance the acquisition of assets used in the business of the Borrower or any of its Restricted Subsidiaries, (2) any such Indebtedness incurred pursuant to this clause (d)

when incurred shall not exceed the purchase price of the asset(s) financed therewith, (3) such Indebtedness may be refinanced from time to time so long as no such Indebtedness shall be refinanced for a principal amount in excess of the principal balance outstanding thereon at the time of such refinancing, and (4) any Lien securing such Indebtedness is permitted under Section 7.2;

(b) Section 7.1 of the Credit Agreement is hereby amended by restating clause (i) thereof in its entirety to read as follows:

(i) Additional unsecured Indebtedness of the Borrower or any Restricted Subsidiary, to the extent not otherwise permitted under this Section 7.1; *provided, however*, that the aggregate principal amount of such additional Indebtedness, when aggregated with the Indebtedness permitted under clause (d)(ii) immediately above shall not exceed \$20,000,000 at any time outstanding;

(c) Section 7.2 of the Credit Agreement is hereby amended by restating clause (i) thereof in its entirety to read as follows:

(i) Liens securing Indebtedness permitted under Section 7.1(d); *provided*, that such Liens shall not apply to any property of the Borrower or its Restricted Subsidiaries other than that property purchased or leased in connection with the incurrence of such Indebtedness;

(d) Section 7.5 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

Section 7.5. Restricted Payments.

The Borrower will not, nor will it permit any Restricted Subsidiary to, make any Restricted Payment (other than dividends payable in its own capital stock) except that (i) any Restricted Subsidiary may declare and pay dividends or make distributions to the Borrower or to a Guarantor, (ii) the Borrower may, so long as no Default or Event of Default has occurred and is continuing or would arise after giving effect thereto, make Restricted Payments in an aggregate amount not to exceed, during any fiscal year of the Borrower, 20% of the audited Consolidated Net Income for the then most recently completed fiscal year of the Borrower, (iii) the Borrower or any Restricted Subsidiary may redeem, repurchase, retire, defease, prepay or otherwise retire for value outstanding Indebtedness of the Borrower or any Restricted Subsidiary with the proceeds of Indebtedness incurred by the Borrower or any Restricted Subsidiaries, so long as after giving effect thereto, such Indebtedness incurred constitutes Permitted Indebtedness, (iv) Borrower may (A) effect a conversion of Permitted Indebtedness pursuant to its terms by making any required payments of cash and/or Borrower's capital stock and (B) make a payment of cash to enter into a Permitted Indebtedness Hedge in connection with Permitted Indebtedness, and any payments made in settlement or in performance thereof, and (v) the Borrower may, so long as the Payment Conditions (as defined below) are satisfied, make repurchases of its capital stock

or any Permitted Indebtedness so long as the aggregate cumulative amount expended on and after July 9, 2015 for all such repurchases of capital stock and Permitted Indebtedness does not exceed \$150,000,000. As used herein, “Payment Conditions” means (i) no Default or Event of Default has then occurred and is continuing or would arise after giving effect thereto and (ii) before and after giving effect (including pro forma effect) thereto, (A) the Borrower is in compliance with the covenants set forth in ARTICLE VI and (B) the Aggregate Revolving Credit Exposure shall not exceed the lesser of (x) the Aggregate Revolving Commitment and (y) the Borrowing Base, in each case, then in effect.

3. Representations and Warranties. The Borrower and the Guarantors hereby represent and warrant to the Administrative Agent, the Collateral Agent, the Swingline Lender, the Issuing Bank and the Lenders as follows:

(a) As of the date hereof and giving effect to the terms of this Amendment, no Default or Event of Default has occurred and is continuing.

(b) The execution, delivery and performance by each Loan Party of this Amendment are within such Loan Party’s organizational powers and have been duly authorized by all necessary organizational, and if required, shareholder, partner or member, action. This Amendment has been duly executed and delivered by each Loan Party. Each of this Amendment and the Credit Agreement, as amended hereby, constitute the valid and binding obligations of the Loan Parties, enforceable against them in accordance with their respective terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting the enforcement of creditors’ rights generally and by general principles of equity.

(c) The execution and delivery of this Amendment by the Loan Parties, and performance by the Borrower of this Amendment and the Credit Agreement, as amended hereby (i) do not require any consent or approval of, registration or filing with, or any action by, any Governmental Authority, except those as have been obtained or made and are in full force and effect, (ii) will not violate any organizational documents of, or any law applicable to, any Loan Party or any judgment, order or ruling of any Governmental Authority, (iii) will not violate or result in a default under the Credit Agreement, the Prudential Senior Secured Note Agreement, any Material Indebtedness Agreement, any other material agreement or other material instrument binding on any Loan Party or any of their assets or give rise to a right thereunder to require any payment to be made by any Loan Party, (iv) will not result in the creation or imposition of any Lien on any asset of any Loan Party, except Liens (if any) created under the Loan Documents and/or (v) will not result in a material limitation on any licenses, permits or other governmental approvals applicable to the business, operations or properties of the Loan Parties.

(d) The execution, delivery, performance and effectiveness of this Amendment will not: (i) impair the validity, effectiveness or priority of the Liens granted pursuant to any Loan Document, and such Liens continue unimpaired with the same priority to secure repayment of all of the applicable Obligations, whether heretofore or hereafter incurred and (ii) require that any new filings be made or other action taken to perfect or to maintain the perfection of such Liens.

(e) Without limiting the foregoing, each Loan Party hereby repeats and reaffirms all representations and warranties made by such Loan Party in the Credit Agreement (as amended hereby) and the other Loan Documents to which it is a party on and as of the date hereof with the same force and effect as if such representations and warranties were set forth in this Amendment in full, except to the extent such representations and warranties relate to an earlier date, in which case each Loan Party repeats and reaffirms such representations and warranties as of such date.

4. Amendment Effective Date and Effect on Credit Agreement.

(a) This Amendment will become effective on the first date on which each of the following conditions has been satisfied (the "Amendment Effective Date") to the satisfaction of the Administrative Agent:

(i) the Administrative Agent shall have received counterparts of this Amendment duly executed by the Loan Parties and the Required Lenders;

(ii) the Borrower shall have paid all fees, charges and disbursements of counsel to the Administrative Agent (directly to such counsel if requested by the Administrative Agent) to the extent invoiced at least one (1) Business Day prior to the Amendment Effective Date, plus such additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by it through the closing proceedings;

(iii) the Administrative Agent shall have received a copy of an amendment to the Prudential Senior Secured Note Agreement duly executed by each party thereto, in form and substance acceptable to the Administrative Agent; and

(iv) the Administrative Agent shall have received such other instruments, documents and certificates as the Administrative Agent shall reasonably request in connection with the execution of this Amendment.

(b) For purposes of determining compliance with the conditions specified in this Section 4, each Lender that has executed this Amendment and delivered it to the Administrative Agent shall be deemed to have consented to, approved or accepted, or to be satisfied with, each document or other matter required under this Section 4 to be consented to or approved by or acceptable or satisfactory to such Lender unless the Administrative Agent shall have received written notice from such Lender prior to the proposed Amendment Effective Date specifying its objection thereto.

(c) On the Amendment Effective Date, the amendments to the Credit Agreement provided herein will be deemed for all purposes effective as of the Closing Date, and any action or inaction taken by any Loan Party at any time on or after the Closing Date in compliance with the Credit Agreement as amended hereby shall constitute compliance with the Credit Agreement at such time. Except as expressly amended pursuant hereto, the Credit Agreement shall remain unchanged and in full force and effect and is hereby ratified and confirmed in all respects.

(d) The Administrative Agent will notify the Borrower and the Lenders of the occurrence of the Amendment Effective Date.

5. Miscellaneous.

(a) Except as herein expressly amended, all terms, covenants and provisions of the Credit Agreement and each other Loan Document are and shall remain in full force and effect and all references in any Loan Document to the "Credit Agreement" shall henceforth refer to the Credit Agreement as amended by this Amendment. Nothing in this Amendment or in any of the transactions contemplated hereby (including, without limitation, the refinancing contemplated hereby) is intended, or shall be construed, to constitute a novation or an accord and satisfaction of any of the Obligations of the Borrower under the Credit Agreement or to modify, affect or impair the perfection, priority or continuation of the security interests in, security titles to or other Liens on any Collateral for the Obligations.

(b) This Amendment shall be binding upon and inure to the benefit of the parties hereto and thereto and their respective successors and assigns.

(c) THIS AMENDMENT IS SUBJECT TO THE PROVISIONS OF SECTIONS 10.6 AND 10.7 OF THE CREDIT AGREEMENT RELATING TO GOVERNING LAW, JURISDICTION AND WAIVER OF RIGHT TO TRIAL BY JURY, THE PROVISIONS OF WHICH ARE BY THIS REFERENCE INCORPORATED HEREIN IN FULL.

(d) This Amendment may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Amendment and the other Loan Documents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Subject to Section 4 above, this Amendment shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties required to be a party hereto. Delivery of an executed counterpart of a signature page of this Amendment by telecopy or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Amendment. This Amendment may not be amended except in accordance with the provisions of Section 10.2 of the Credit Agreement.

(e) If any provision of this Amendment or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Amendment and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Nothing contained herein shall be deemed to constitute a waiver of compliance with any term or condition contained in the Credit Agreement or any of the other Loan Documents, or

constitute a course of conduct or dealing among the parties. The Administrative Agent and the Lenders reserve all rights, privileges and remedies under the Loan Documents.

(f) The Borrower shall reimburse the Administrative Agent upon demand for all reasonable out-of-pocket costs and expenses (including reasonable attorneys' fees) incurred by the Administrative Agent in connection with the preparation, negotiation and execution of this Amendment and the other agreements and documents executed and delivered in connection herewith.

(g) In consideration of the amendments contained herein, each of the Loan Parties hereby waives and releases each of the Lenders, the Administrative Agent and the Collateral Agent from any and all claims and defenses, known or unknown as of the date hereof, with respect to the Credit Agreement and the other Loan Documents and the transactions contemplated hereby and thereby.

(h) This Amendment shall constitute a "Loan Document" under and as defined in the Credit Agreement.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.

ENCORE CAPITAL GROUP, INC.

By: /s/ Jonathan Clark

Name: Jonathan Clark

Title: Chief Financial Officer

SUNTRUST BANK,

as Administrative Agent, Collateral Agent, Swingline Lender, Issuing Bank and as a Lender

By: /s/ Andrew Johnson

Name: Andrew Johnson

Title: Managing Director

BANK OF AMERICA, N.A.,
as Lender

By: /s/ Angel Sutoyo
Name: Angel Sutoyo
Title: Senior Vice President

FIFTH THIRD BANK, as Lender

By: /s/ Peter Samboul
Name: Peter Samboul
Title: Director

ING CAPITAL LLC, as Lender

By: /s/ Mary Forstner

Name: Mary Forstner

Title: Director

By: /s/ Jonathan Banks

Name: Jonathan Banks

Title: MD

MORGAN STANLEY BANK, N.A., as Lender

By: /s/ Emanuel Ma
Name: Emanuel Ma
Title: Authorized Signatory

ZB, N.A. d/b/a CALIFORNIA BANK & TRUST,
as Lender

By: /s/ Melissa Chang
Name: Melissa Chang
Title: 1st Vice President

CITIBANK, N.A., as Lender

By: /s/ Lori Galagarza

Name: Lori Galagarza

Title: Senior Vice President

BANK LEUMI USA, as Lender

By: /s/ Paul King

Name: Paul King

Title: First Vice President

MUFG Union Bank, N.A. (formerly known as UNION BANK), as Lender

By: /s/ Meng Zhang
Name: Meng Zhang
Title: Vice President

By: /s/ Daniel Ahn
Name: Daniel Ahn
Title: AVP

FLAGSTAR BANK, as Lender

By: /s/ Aaron Bates
Name: Aaron Bates
Title: Vice President

CIBC BANK USA (formerly known as THE PRIVATEBANK AND TRUST COMPANY), as Lender

By: /s/ Cristina Valdes

Name: Cristina Valdes

Title: Officer

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH, as Lender

By: /s/ Doreen Barr
Name: Doreen Barr
Title: Authorized Signatory

By: /s/ Andrew Griffin
Name: Andrew Griffin
Title: Authorized Signatory

OPUS BANK, as Lender

By: /s/ Ramsey Naber

Name: Ramsey Naber

Title: SVP

UMPQUA BANK, as Lender

By: /s/ Emily Brayfield

Name: Emily Brayfield

Title: S.V.P.

WOODFOREST NATIONAL BANK, as Lender

By: /s/ Mai Le Thai
Name: Mai Le Thai
Title: Vice President

REGIONS BANK, as Lender

By: /s/ Andrew Staszkesy
Name: Andrew Staszkesy
Title: Vice President

DNB CAPITAL, LLC, as Lender

By: /s/ Philip F. Kurpiewski
Name: Philip F. Kurpiewski
Title: Senior Vice President

By: /s/ Kristi Birkeland Sorensen
Name: Kristi Birkeland Sorensen
Title: Senior Vice President
Head of Corporate Banking

BANC OF CALIFORNIA, as Lender

By: /s/ An Pham Jr.

Name: An Pham Jr.

Title: VP

Each of the undersigned hereby makes the representations and warranties set forth above in this Amendment, consents to this Amendment and the terms and provisions hereof and hereby (a) confirms and agrees that notwithstanding the effectiveness of such Amendment, each Loan Document to which it is a party and their respective payment, performance and observance obligations and liabilities (whether contingent or otherwise) is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects, except that, on and after the effectiveness of such Amendment, each reference in the Loan Documents to the "Credit Agreement, "thereunder", "thereof or words of like import shall mean and be a reference to the Credit Agreement, as amended by this Amendment, (b) confirms and agrees that the pledge and security interest in the Collateral granted by it pursuant to the Collateral Documents to which it is a party shall continue in full force and effect, and (c) acknowledges and agrees that such pledge and security interest in the Collateral granted by it pursuant to such Collateral Documents shall continue to secure the Obligations purported to be secured thereby.

ENCORE CAPITAL GROUP, INC.

By: /s/ Jonathan Clark
Name: Jonathan Clark
Title: Chief Financial Officer

MIDLAND INTERNATIONAL LLC
MIDLAND PORTFOLIO SERVICES, INC.
MIDLAND FUNDING LLC
MRC RECEIVABLES CORPORATION
MIDLAND FUNDING NCC-2 CORPORATION
ASSET ACCEPTANCE, LLC
MIDLAND INDIA LLC

By: /s/ Jonathan Clark
Name: Jonathan Clark
Title: Vice President

ASSET ACCEPTANCE CAPITAL CORP.
ATLANTIC CREDIT & FINANCE, INC.
MIDLAND CREDIT MANAGEMENT, INC.

By: /s/ Jonathan Clark
Name: Jonathan Clark
Title: Executive Vice President

**ATLANTIC CREDIT & FINANCE SPECIAL
FINANCE UNIT, LLC
ATLANTIC CREDIT & FINANCE SPECIAL
FINANCE UNIT III, LLC**

By: /s/ Ryan Bell
Name: Ryan Bell
Title: Executive Vice President

AMENDMENT NO. 1

Dated as of August 30, 2019

to

THIRD AMENDED AND RESTATED SENIOR SECURED NOTE PURCHASE AGREEMENT

Dated as of August 11, 2017

THIS AMENDMENT NO. 1 ("Amendment") is made as of August 30, 2019 by and among Encore Capital Group, Inc. (the "Company") and the undersigned holders of Notes (the "Noteholders"). Reference is made to that certain Third Amended and Restated Senior Secured Note Purchase Agreement, dated as of August 11, 2017, between the Company, on the one hand, and the Purchasers named therein, on the other hand (as the same has been amended, supplemented or otherwise modified from time to time prior to the date hereof, the "Note Agreement"). Capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to them in the Note Agreement.

WHEREAS, the Company has requested that the Noteholders agree to certain amendments with respect to the Note Agreement as provided in this Amendment; and

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

WHEREAS, the Credit Agreement is being amended by an amendment thereto (the "Credit Agreement Amendment") consistent with the amendments provided by this Amendment;

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 Company and the Noteholders party hereto have agreed to enter into this Amendment.

1. Amendments to Note Agreement. Subject to Section 2 below, the Note Agreement is hereby amended, as follows:

(a) Effective as of the Effective Date, Section 10.1 of the Note Agreement is hereby amended and restated in its entirety to read as follows:

10.1 Restricted Payments. The Company will not, nor will it permit any Restricted Subsidiary to, make any Restricted Payment (other than dividends payable in its own capital stock) except that (i) any Restricted Subsidiary may declare and pay dividends or make distributions to the Company or to a Guarantor, (ii) the Company may, so long as no Default or Event of Default has occurred and is continuing or would arise after giving effect thereto, make Restricted Payments in an aggregate amount not to exceed, during any fiscal year of the Company, 20% of

the audited Consolidated Net Income for the then most recently completed fiscal year of the Company, (iii) the Company or any Restricted Subsidiary may redeem, repurchase, retire, defease, prepay or otherwise retire for value outstanding Indebtedness of the Company or any Restricted Subsidiary with the proceeds of Indebtedness incurred by the Company or any Restricted Subsidiaries, so long as after giving effect thereto, such Indebtedness incurred constitutes Permitted Indebtedness, (iv) the Company may (A) effect a conversion of Permitted Indebtedness pursuant to its terms by making any required payments of cash and/or the Company's capital stock and (B) make a payment of cash to enter into a Permitted Indebtedness Hedge in connection with Permitted Indebtedness, and any payments made in settlement or in performance thereof, and (v) the Company may, so long as the Payment Conditions (as defined below) are satisfied, make repurchases of its capital stock or any Permitted Indebtedness so long as the aggregate cumulative amount expended on and after July 9, 2015 for all such repurchases of capital stock and Permitted Indebtedness does not exceed \$150,000,000. As used herein, "**Payment Conditions**" means (i) no Default or Event of Default has then occurred and is continuing or would arise after giving effect thereto and (ii) before and after giving effect (including pro forma effect) thereto, (A) the Company is in compliance with the covenants set forth in Sections 10.12 and 10.13, and (B) the Aggregate Revolving Credit Exposure shall not exceed the lesser of (x) the Aggregate Revolving Commitment and (y) the Borrowing Base, in each case, then in effect.

(b) Effective as of the Closing Date, Section 10.5 of the Note Agreement is hereby amended by restating Section 10.5.4 thereof its entirety to read as follows:

10.5.4 (i) Capitalized Leases entered into by the Company or any of its Restricted Subsidiaries and (ii) secured or unsecured purchase money Indebtedness incurred by the Company or any of its Restricted Subsidiaries after December 20, 2016 (so long as the total of all such Indebtedness incurred pursuant to this clause (ii) on or after December 20, 2016, when aggregated with the Indebtedness permitted under Section 10.5.9, shall not exceed an aggregate principal amount of \$20,000,000 at any one time outstanding); provided that, with respect to any Indebtedness described in the immediately preceding clauses (i) or (ii), (1) such Indebtedness shall be incurred to finance the acquisition of assets used in the business of the Company or any of its Restricted Subsidiaries, (2) any such Indebtedness when incurred shall not exceed the purchase price of the asset(s) financed therewith, (3) such Indebtedness may be refinanced from time to time so long as no such Indebtedness shall be refinanced for a principal amount in excess of the principal balance outstanding thereon at the time of such refinancing, and (4) any Lien securing such Indebtedness is permitted under Section 10.6;

(c) Effective as of the Closing Date, Section 10.5 of the Note Agreement is hereby amended by restating Section 10.5.9 thereof in its entirety to read as follows:

10.5.9 additional unsecured Indebtedness of the Company or any Restricted Subsidiary, to the extent not otherwise permitted under this Section 10.5; provided, however, that the aggregate principal amount of such additional Indebtedness, when aggregated with the Indebtedness permitted under Section 10.5.4(ii) shall not exceed \$20,000,000 at any time outstanding;

(d) Effective as of the Closing Date, Section 10.6 of the Note Agreement is hereby amended by restating Section 10.6.9 thereof in its entirety to read as follows:

10.6.9 Liens securing Indebtedness permitted under Section 10.5.4; provided, that such Liens shall not apply to any property of the Company or its Restricted Subsidiaries other than that property purchased or leased in connection with the incurrence of such Indebtedness;

(e) Effective as of the Closing Date, Section 17.1 of the Note Agreement is hereby amended by restating clause (b) (iii) thereof in its entirety to read as follows:

(iii) the dollar limitation set forth in each of Section 10.5.4(ii) (relating to permitted purchase money Indebtedness) and Section 10.5.9 (relating to additional unsecured Indebtedness), but, in each case, only to the extent that the aggregate amount of such permitted Indebtedness does not exceed \$25,000,000;

(f) Effective as of the Closing Date, Schedule B of the Note Agreement is hereby amended by deleting the definition of the term "Permitted Purchase Money Indebtedness."

2. Conditions of Effectiveness. The effectiveness of this Amendment is subject to the following conditions precedent (the date on which each of which has been satisfied or waived in writing being referred to in this Amendment as the "**Effective Date**"): (a) the Noteholders shall have received (i) counterparts of this Amendment, duly executed by the Company and the Required Holders, and the Consent and Reaffirmation attached hereto duly executed by the Guarantors, (ii) a fully executed copy of the Credit Agreement Amendment, which shall be in form and substance reasonably satisfactory to the Required Holders, and (iii) such other instruments and documents as are reasonably requested by the Noteholders on or prior to the date of this Amendment in connection with this Amendment; and (b) the Company shall have paid, to the extent invoiced on or prior to the date of this Amendment, all fees and expenses of the Noteholders (including attorneys' fees and expenses) in connection with this Amendment and the other Transaction Documents.

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

(a) The execution, delivery and performance by each Credit Party of this Amendment are within such Credit Party's organizational powers and have been duly authorized by all necessary organizational, and if required, shareholder, partner or member, action. This Amendment has been duly executed and delivered by each Credit Party. This Amendment and the

Note Agreement as amended hereby constitute legal, valid and binding obligations of the Company and are enforceable against the Company 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 Event of Default and (ii) the representations and warranties contained in Section 5 of the Note Agreement (as amended hereby) are true and correct, except for representations and warranties made with reference solely to an earlier date, which are true and correct as of such earlier date.

(c) The execution and delivery of this Amendment by the Credit Parties, and performance by the Company of this Amendment and the Note Agreement, as amended hereby (i) do not require any consent or approval of, registration or filing with, or any action by, any Governmental Authority, except those as have been obtained or made and are in full force and effect, (ii) will not violate any organizational documents of, or any law applicable to, any Credit Party or any judgment, order or ruling of any Governmental Authority, (iii) will not violate or result in a default under the Note Agreement, the Credit Agreement, any other material agreement or other material instrument binding on any Credit Party or any of their assets, or give rise to a right under any of the foregoing agreements (other than the Credit Agreement) to require any payment to be made by any Credit Party, (iv) will not result in the creation or imposition of any Lien on any asset of any Credit Party, except Liens (if any) created under the Transaction Documents and (v) will not result in a material limitation on any licenses, permits or other governmental approvals applicable to the business, operations or properties of the Credit Parties.

(d) No fee or other remuneration is required to be paid to or for the benefit of any party to the Credit Agreement as consideration for the Credit Agreement Amendment.

4. Reference to and Effect on the Note Agreement.

(a) Upon the effectiveness hereof, (i) each reference to the Note Agreement in the Note Agreement or any other Transaction Document shall mean and be a reference to the Note Agreement as amended hereby, and (ii) each reference, statement or representation with respect to the Credit Agreement contained in the Note Agreement or any other Transaction Document shall mean and be a reference to the Credit Agreement as amended by the Credit Agreement Amendment, effective on and after the Closing Date.

(b) Except as specifically amended above, the Note 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) Other than as expressly set forth herein, the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Noteholders, nor constitute a waiver of any provision of the Note Agreement or any other documents, instruments and agreements executed and/or delivered in connection therewith.

(d) This Amendment shall constitute a "Transaction Document."

5. Release of Claims. In consideration of the amendments contained herein, each of the Credit Parties hereby waives and releases each of the Noteholders from any and all claims and defenses, known or unknown, existing as of the date hereof with respect to the Note Agreement and the other Transaction Documents and the transactions contemplated hereby and thereby. It is the intention of each of the Company and the Guarantors in providing this release that the same shall be effective as a bar to each and every claim, demand and cause of action specified, and in furtherance of this intention it waives and relinquishes all rights and benefits under Section 1542 of the Civil Code of the State of California (or any comparable provision of any other applicable law), which provides:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

6. Governing Law. This Amendment shall be governed by and construed in accordance with the internal laws of the State of New York, excluding choice-of-law principles of the law of such state that would permit the application of the laws of a jurisdiction other than such state.

7. 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.

8. 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. Signatures delivered by facsimile or PDF shall have the same force and effect as manual signatures delivered in person.

[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.

By: /s/ Jonathan Clark
Jonathan Clark, Chief Financial Officer

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, as a 2017
Notes Purchaser

By: /s/ Jason Richardson
Vice President

PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY,
as a 2017 Notes Purchaser

By: PGIM, Inc., as investment manager

By: /s/ Jason Richardson
Vice President

PAR U HARTFORD LIFE & ANNUITY COMFORT TRUST, as a 2017
Notes Purchaser

By: Prudential Arizona Reinsurance Universal Company, as Grantor

By: PGIM, Inc., as Investment Manager

By: /s/ Jason Richardson
Vice President

PICA HARTFORD LIFE & ANNUITY COMFORT TRUST, as a 2017 Notes
Purchaser

By: The Prudential Insurance Company of America, as Grantor

By: /s/ Jason Richardson
Vice President

PRUDENTIAL ARIZONA REINSURANCE TERM COMPANY, as a 2017
Notes Purchaser

By: PGIM, Inc., as investment manager

By: /s/ Jason Richardson
Vice President

PRUDENTIAL LEGACY INSURANCE COMPANY OF NEW JERSEY, as
a 2017 Notes Purchaser

By: PGIM, Inc., as investment manager

By: /s/ Jason Richardson
Vice President

21ST CENTURY FOX AMERICA, INC. MASTER TRUST

By: Guggenheim Partners Investment Management, LLC,
as Advisor

By: /s/ Kevin M. Robinson
Name: Kevin M. Robinson
Title: Attorney-in-Fact

MIDLAND NATIONAL LIFE INSURANCE COMPANY

By: Guggenheim Partners Investment Management, LLC

By: /s/ Kevin M. Robinson
Name: Kevin M. Robinson
Title: Attorney-in-Fact

**WILSHIRE INSTITUTION MASTER FUND SPC-
GUGGENHEIM ALPHA SEGREGATED PORTFOLIO**

By: Guggenheim Partners Investment Management, LLC,
as Sub-Advisor

By: /s/ Kevin M. Robinson
Name: Kevin M. Robinson
Title: Attorney-in-Fact

GUARANTY INCOME LIFE INSURANCE COMPANY

By: Guggenheim Partners Investment Management, LLC,
as Manager

By: /s/ Kevin M. Robinson
Name: Kevin M. Robinson
Title: Attorney-in-Fact

**GUGGENHEIM FUNDS TRUST – GUGGENHEIM
MACRO OPPORTUNITIES FUND**

By: Guggenheim Partners Investment Management, LLC,
as Investment Adviser

By: /s/ Kevin M. Robinson
Name: Kevin M. Robinson
Title: Attorney-in-Fact

GUGGENHEIM STRATEGIC OPPORTUNITIES FUND

By: Guggenheim Partners Investment Management, LLC,
as Sub-Adviser

By: /s/ Kevin M. Robinson
Name: Kevin M. Robinson
Title: Attorney-in-Fact

**GUGGENHEIM PARTNERS OPPORTUNISTIC
INVESTMENT GRADE SECURITIES MASTER
FUND, LTD**

By: Guggenheim Partners Investment Management, LLC,
as Investment Advisor

By: /s/ Kevin M. Robinson
Name: Kevin M. Robinson
Title: Attorney-in-Fact

HORACE MANN LIFE INSURANCE COMPANY

By: Guggenheim Partners Investment Management, LLC

By: /s/ Kevin M. Robinson
Name: Kevin M. Robinson
Title: Attorney-in-Fact

**NORTH AMERICAN COMPANY FOR LIFE
AND HEALTH INSURANCE**

By: Guggenheim Partners Investment Management, LLC

By: /s/ Kevin M. Robinson
Name: Kevin M. Robinson
Title: Attorney-in-Fact

NEW FOX MASTER TRUST

By: Guggenheim Partners Investment Management, LLC,
as Manager

By: /s/ Kevin M. Robinson
Name: Kevin M. Robinson
Title: Attorney-in-Fact

**SOUTH CAROLINA RETIREMENT SYSTEMS
GROUP TRUST**

By: Guggenheim Partners Investment Management, LLC,
as Manager

By: /s/ Kevin M. Robinson
Name: Kevin M. Robinson
Title: Attorney-in-Fact

VERGER CAPITAL FUND LLC

By: Guggenheim Partners Investment Management, LLC,
as Advisor

By: /s/ Kevin M. Robinson
Name: Kevin M. Robinson
Title: Attorney-in-Fact

**WILTON REASSURANCE LIFE COMPANY
OF NEW YORK**

By: Guggenheim Partners Investment Management, LLC,
as Advisor

By: /s/ Kevin M. Robinson
Name: Kevin M. Robinson
Title: Attorney-in-Fact

TEXAS LIFE INSURANCE COMPANY

By: Guggenheim Partners Investment Management, LLC,
as Advisor

By: /s/ Kevin M. Robinson
Name: Kevin M. Robinson
Title: Attorney-in-Fact

WILTON REASSURANCE COMPANY

By: Guggenheim Partners Investment Management, LLC,
as Advisor

By: /s/ Kevin M. Robinson
Name: Kevin M. Robinson
Title: Attorney-in-Fact

ALLSTATE LIFE INSURANCE COMPANY, as a 2017 Notes Purchaser

By: /s/ Jerry D. Zinkula
Name: Jerry D. Zinkula

By: /s/ Allen Dick
Name: Allen Dick
Authorized Signatories

ALLSTATE INSURANCE COMPANY, as a 2017 Notes Purchaser

By: /s/ Jerry D. Zinkula
Name: Jerry D. Zinkula

By: /s/ Allen Dick
Name: Allen Dick
Authorized Signatories

ATHENE ANNUITY & LIFE ASSURANCE COMPANY, as a 2017 Notes Purchaser

By: Athene Asset Management LLC, its investment adviser

By: /s/ Roger D. Fors

Name: Roger D. Fors

Title: Senior Vice President, Fixed Income

ATHENE ANNUITY AND LIFE COMPANY, as a 2017 Notes Purchaser

By: Athene Asset Management LLC, its investment adviser

By: /s/ Roger D. Fors

Name: Roger D. Fors

Title: Senior Vice President, Fixed Income

MINNESOTA LIFE INSURANCE COMPANY

SECURIAN LIFE INSURANCE COMPANY

AMERICAN REPUBLIC INSURANCE COMPANY

as 2017 Notes Purchasers

By: Securian Asset Management, Inc. (f/k/a Advantus Capital Management, Inc.)

By: /s/ Jon R. Thompson
Name: Jon R. Thompson
Title: Vice President

CONSENT AND REAFFIRMATION

Each of the undersigned hereby acknowledges receipt of a copy of the foregoing Amendment No. 1 to the Third Amended and Restated Senior Secured Note Purchase Agreement dated as of August 11, 2017 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Note Agreement") by and between Encore Capital Group, Inc. (the "Company") and the holders of Notes party thereto (the "Noteholders"), which Amendment No. 1 is dated as of August 30, 2019 (the "Amendment"). Capitalized terms used in this Consent and Reaffirmation and not defined herein shall have the meanings given to them in the Note Agreement. Without in any way establishing a course of dealing by any Noteholder, each of the undersigned consents to the Amendment and reaffirms the terms and conditions of the Multiparty Guaranty, the Pledge and Security Agreement and any other Transaction Document executed by it and acknowledges and agrees that such agreement and each and every such Transaction Document executed by the undersigned in connection with the Note Agreement remains in full force and effect and is hereby reaffirmed, ratified and confirmed.

All references to the Note Agreement contained in the above-referenced documents shall be a reference to the Note Agreement as modified by the Amendment and as each of the same may from time to time hereafter be amended, modified or restated.

Dated: August 30, 2019

[Signature Page Follows]

MIDLAND INTERNATIONAL LLC
MIDLAND PORTFOLIO SERVICES, INC.
MIDLAND FUNDING LLC
MRC RECEIVABLES CORPORATION
MIDLAND FUNDING NCC-2 CORPORATION
ASSET ACCEPTANCE, LLC
MIDLAND INDIA LLC

By: /s/ Jonathan Clark
Jonathan Clark, Vice President

ASSET ACCEPTANCE CAPITAL CORP.
ATLANTIC CREDIT & FINANCE, INC.
MIDLAND CREDIT MANAGEMENT, INC.

By: /s/ Jonathan Clark
Jonathan Clark, Executive Vice President

ATLANTIC CREDIT & FINANCE SPECIAL FINANCE UNIT, LLC
ATLANTIC CREDIT & FINANCE SPECIAL FINANCE UNIT III, LLC

By: /s/ Ryan Bell
Ryan Bell, Executive Vice President



Encore Capital Group, Inc. Announces Proposed Convertible Senior Notes Offering

SAN DIEGO, September 3, 2019 (GLOBE NEWSWIRE) -- Encore Capital Group, Inc. (Nasdaq: ECPG) ("Encore") today announced its intention to offer, subject to market and other conditions, \$100,000,000 aggregate principal amount of convertible senior notes due 2025 (the "notes") in a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"). Encore also expects to grant the initial purchasers of the notes a 30-day option to purchase up to an additional \$15,000,000 aggregate principal amount of notes solely to cover over-allotments, if any.

The notes will be senior, unsecured obligations of Encore, and will be fully and unconditionally guaranteed on a senior unsecured basis by Midland Credit Management, Inc., a wholly owned subsidiary of Encore, until such time as Midland Credit Management, Inc. is no longer a guarantor under any of Encore's other convertible senior notes and has no convertible senior notes outstanding of its own (at which time, such guarantor's guarantee of the notes will be automatically released). The notes will accrue interest payable semi-annually in arrears and will mature on October 1, 2025, unless earlier repurchased or redeemed by Encore or converted. Noteholders will have the right to convert their notes in certain circumstances and during specified periods. Encore will settle any conversions by paying or delivering, as applicable, cash, shares of its common stock or a combination of cash and shares of its common stock, at Encore's election. The notes will be redeemable, in whole or in part, for cash at Encore's option at any time, and from time to time, on or after October 5, 2022 and on or before the 40th scheduled trading day immediately before the maturity date, but only if the last reported sale price per share of Encore's common stock exceeds 130% of the conversion price for a specified period of time. The redemption price will be equal to the principal amount of the notes to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date. The interest rate, initial conversion rate and other terms of the notes will be determined at the pricing of the offering.

Encore intends to use the net proceeds from this offering for general corporate purposes, which may include working capital, capital expenditures, acquisitions, or repayment or repurchase of outstanding debt, including Encore's revolving credit facility and Encore's outstanding existing convertible senior notes and exchangeable senior notes. In addition to any repurchases of Encore's existing convertible senior notes and/or exchangeable senior notes, Encore may also exchange or induce conversions of its existing convertible senior notes or exchangeable senior notes. Any repurchase, exchange or induced conversion of Encore's existing convertible senior notes and/or exchangeable senior notes (including any related market activity by holders of the relevant notes and/or the existing option counterparties described below) could affect the market price of Encore's common stock or the value of the notes.

Encore expects that holders of its existing convertible senior notes and/or exchangeable senior notes, who sell or exchange those notes in negotiated repurchase (or exchange) transactions with Encore or convert their respective notes, may unwind various derivative transactions with respect to Encore's common stock and/or purchase shares of Encore's common stock in the market to unwind their existing hedge positions in connection with the relevant notes. Any repurchase, exchange or induced conversion of Encore's existing convertible senior notes and/or exchangeable senior notes (as the case may be) could have the effect of raising or maintaining the market price of Encore's common stock above levels that would otherwise have prevailed, or preventing or slowing a decline in the market price of Encore's common stock.

To the extent that holders of Encore's existing convertible senior notes and/or exchangeable senior notes purchase any new equity-linked securities of Encore at the time of any such repurchase, Encore expects certain of such holders to sell shares of Encore's common stock in the market and/or enter into various derivatives transactions with respect to shares of Encore's common stock. This activity could have the effect of decreasing (or reducing the size of any increase in) the market price of Encore's common stock below the level that would otherwise have prevailed.

In connection with any repurchase, exchange or induced conversion of certain of Encore's existing convertible senior notes and/or exchangeable senior notes, Encore may enter into agreements

with the relevant existing option counterparties to terminate a portion of the capped call option transactions that Encore previously entered into when issuing the relevant convertible senior notes and/or exchangeable senior notes (the "existing option transactions"), or certain existing option transactions relating to those notes may terminate according to their terms, in each case in a notional amount corresponding to the amount of those notes that are repurchased, exchanged or converted. In connection with any termination of existing option transactions and the related unwinding of the existing hedge positions of the existing option counterparties with respect to such transactions, such existing option counterparties and/or their respective affiliates may sell shares of Encore's common stock in secondary market transactions, and/or unwind various derivative transactions with respect to Encore's common stock. This activity could decrease (or reduce the size of any increase in) the market price of our common stock at that time and it could decrease (or reduce the size of any increase in) the market value of the notes. In connection with these transactions, Encore may make or receive payments and/or deliveries of shares of Encore's common stock in amounts that depend on the market price of Encore's common stock during the unwind period.

Any of the market activities, described above, may occur during the course of the day on which Encore prices the offering of the notes, could represent a significant portion of the trading in Encore's common stock on that day and could affect the market price of Encore's common stock and, in turn, the initial conversion price of the notes.

The offer and sale of the notes and any shares of common stock issuable upon conversion of the notes have not been, and will not be, registered under the Securities Act or any state securities laws, and the notes and any such shares cannot be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and state securities laws. This press release does not constitute an offer to sell, or the solicitation of an offer to buy, the notes or any shares of common stock issuable upon conversion of the notes, nor will there be any sale of the notes or any such shares, in any state or other jurisdiction in which such offer, sale or solicitation would be unlawful. Any offer of the securities will be made only by means of a private offering memorandum.

About Encore

Encore is an international specialty finance company that provides debt recovery solutions and other related services across a broad range of financial assets. Through its subsidiaries around the globe, Encore purchases or services portfolios of receivables from major banks, credit unions and utility providers.

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.

Forward-Looking Statements

This press release includes forward-looking statements, including statements regarding the completion, timing and size of the proposed offering, the intended use of the proceeds and the terms of the notes being offered. Forward-looking statements represent Encore's current expectations regarding future events and are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those implied by the forward-looking statements. Among those risks and uncertainties are market conditions, including market interest rates, the trading price and volatility of Encore's common stock and risks relating to Encore's business, including those described in periodic reports that Encore files from time to time with the U.S. Securities and Exchange Commission. Encore may not consummate the proposed offering described in this press release and, if the proposed offering is consummated, cannot provide any assurances regarding the final terms of the notes or its ability to effectively apply the net proceeds as described above. The forward-looking statements included in this press release speak only as of the date of this press release, and Encore does not undertake to update the statements included in this press release for subsequent developments, except as may be required by law.

Contact Information

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