

MESDAG WILLEM

Form 4

January 24, 2012

**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).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF  
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
30(h) of the Investment Company Act of 1940

## OMB APPROVAL

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(Print or Type Responses)

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)

(Last) (First) (Middle)

10100 SANTA MONICA  
BOULEVARD, SUITE 925

(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
01/20/2012

☐ Director ☐ 10% Owner  
☐ Officer (give title below) ☐ Other (specify below)

LOS ANGELES, CA 90067

4. If Amendment, Date Original  
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
☐ Form filed by One Reporting Person  
☒ Form filed by More than One Reporting  
Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of<br>Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3.<br>Transaction<br>Code<br>(Instr. 8) | 4. Securities<br>Acquired (A) or<br>Disposed of (D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form: Direct<br>(D) or<br>Indirect (I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|---------------------------------------|-----------------------------------------|-------------------------------------------------------------|-----------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------|
| Common<br>Stock                       | 01/20/2012 <sup>(1)</sup>               |                                                             | A                                       | 1,088 A \$ 0                                                               | 23,718 <sup>(2)</sup>                                                                                              | D                                                                    |                                                                   |
| Common<br>Stock                       |                                         |                                                             |                                         |                                                                            | 517,791 <sup>(3)</sup>                                                                                             | I                                                                    | Through<br>RMCP II                                                |
| Common<br>Stock                       |                                         |                                                             |                                         |                                                                            | 1,860,044 <sup>(4)</sup>                                                                                           | I                                                                    | Through<br>RMCP III                                               |

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

**Persons who respond to the collection of  
information contained in this form are not  
required to respond unless the form**

SEC 1474  
(9-02)

**displays a currently valid OMB control number.**

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2. Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4. Transaction<br>Code<br>(Instr. 8) | 5. Number<br>of<br>Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed<br>of (D)<br>(Instr. 3,<br>4, and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and<br>Amount of<br>Underlying<br>Securities<br>(Instr. 3 and 4) | 8. Price of<br>Derivative<br>Security<br>(Instr. 5) | 9. Number of<br>Derivative<br>Securities<br>Beneficially<br>Owned<br>Following the<br>Reported<br>Transaction<br>(Instr. 10) |
|-----------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
|                                                     |                                                                    |                                         |                                                             | Code                                 | V (A) (D)                                                                                                          | Date<br>Exercisable                                            | Expiration<br>Date                                                        | Title                                               | Amount<br>or<br>Number<br>of<br>Shares                                                                                       |

## Reporting Owners

| Reporting Owner Name / Address                                                                                | Relationships                    |
|---------------------------------------------------------------------------------------------------------------|----------------------------------|
|                                                                                                               | Director 10% Owner Officer Other |
| MESDAG WILLEM<br>10100 SANTA MONICA BOULEVARD<br>SUITE 925<br>LOS ANGELES, CA 90067                           | X                                |
| RED MOUNTAIN CAPITAL PARTNERS LLC<br>10100 SANTA MONICA BOULEVARD<br>SUITE 925<br>LOS ANGELES, CA 90067       | Please refer to Remarks below.   |
| RED MOUNTAIN CAPITAL PARTNERS II, L.P.<br>10100 SANTA MONICA BOULEVARD<br>SUITE 925<br>LOS ANGELES, CA 90067  | Please refer to Remarks below.   |
| RED MOUNTAIN CAPITAL PARTNERS III, L.P.<br>10100 SANTA MONICA BOULEVARD<br>SUITE 925<br>LOS ANGELES, CA 90067 | Please refer to Remarks below.   |
| RMCP GP LLC<br>10100 SANTA MONICA BOULEVARD<br>SUITE 925<br>LOS ANGELES, CA 90067                             | Please refer to Remarks below.   |
| RED MOUNTAIN CAPITAL MANAGEMENT INC<br>10100 SANTA MONICA BOULEVARD                                           | Please refer to Remarks below.   |

SUITE 925  
LOS ANGELES, CA 90067

## Signatures

/s/ Willem Mesdag (on behalf of himself and the Red Mountain entities)

01/24/2012

**\*\*Signature of Reporting Person**

Date \_\_\_\_\_

### Explanation of Responses:

- |     |                                                                                                                                                                                                                                                                    |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| *   | If the form is filed by more than one reporting person, <i>see</i> Instruction 4(b)(v).                                                                                                                                                                            |
| **  | Intentional misstatements or omissions of facts constitute Federal Criminal Violations. <i>See</i> 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).                                                                                                                           |
| (1) | On January 20, 2012, Encore Capital Group, Inc. ("Encore") issued 1,088 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) Red Mountain Capital Partners LLC ("RMCP LLC"), (ii) RMCP II, (iii) RMCP III, (iv) RM

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

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