MESDAG WILLEM

Form 4

March 15, 2011

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

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if no longer subject to Section 16. Form 4 or Form 5

Check this box

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

See Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to

Issuer

MESDAG WILLEM

ENCORE CAPITAL GROUP INC

(Check all applicable)

[ECPG]

03/11/2011

(Last) (First) (Middle)

(State)

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

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

6. Individual or Joint/Group Filing(Check

10100 SANTA MONICA **BOULEVARD, SUITE 925**

(Street)

(Zip)

4. If Amendment, Date Original

Filed(Month/Day/Year)

Applicable Line)

Form filed by One Reporting Person _X_ Form filed by More than One Reporting Person

LOS ANGELES, CA 90067

(City)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 1.Title of 2. Transaction Date 2A. Deemed 3. 4. Securities Acquired (A) 5. Amount of 6. 7. Nature of Security (Month/Day/Year) Execution Date, if Transactionr Disposed of (D) Securities Ownership Indirect (Instr. 3) Code (Instr. 3, 4 and 5) Beneficially Form: Beneficial (Month/Day/Year) Direct (D) (Instr. 8) Owned Ownership or Indirect **Following** (Instr. 4)

Reported (I) (A) Transaction(s) (Instr. 4) or (Instr. 3 and 4) (D) Price Code V Amount

\$ Common Through 03/11/2011 S 30,028 D 25.35 517,791 (2) I Stock RMCP II (1)

\$ Common Through 03/11/2011 S 25.35 $1,860,044 \stackrel{(3)}{=} I$ 107,871 D Stock RMCP III (1)

Common

 $21,826 \frac{(4)}{}$ D Stock

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

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SEC 1474 (9-02)

> 9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr

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

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exer	cisable and	7. Title	and	8. Price of
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transac	tiorNumber	Expiration D	ate	Amoun	nt of	Derivative
Security	or Exercise		any	Code	of	(Month/Day/	Year)	Underl	ying	Security
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8) Derivativ	erivative			ies	(Instr. 5)
	Derivative				Securities	3		(Instr. 3	3 and 4)	
	Security				Acquired					
					(A) or					
					Disposed					
					of (D)					
					(Instr. 3,					
					4, and 5)					
									Amount	
						Date Exercisable	Expiration Date		or Number	
									of	
				Codo	(A) (D)					
				Code '	V (A) (D)			i i	Shares	

Reporting Owners

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

Reporting Owners 2

RED MOUNTAIN CAPITAL MANAGEMENT INC 10100 SANTA MONICA BOULEVARD SUITE 925 LOS ANGELES, CA 90067

Please refer to Remarks below.

Signatures

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

03/15/2011

**Signature of Reporting Person

Date

Explanation of Responses:

- * 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).
- (1) This amount represents the \$26.00 secondary public offering price per share of common stock of Encore Capital Group, Inc. ("Encore"), less the underwriting discount of \$0.65 per share.
- (2) These shares are held directly by Red Mountain Capital Partners II, L.P. ("RMCP II").
- (3) These shares are held directly by Red Mountain Capital Partners III, L.P. ("RMCP III").
- (4) 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.

Remarks:

This Form 4 is jointly filed by (i) Red Mountain Capital Partners LLC ("RMCP LLC"), (ii) RMCP II, (iii) RMCP III, (iv) RMCP II

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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