

Encore Subsidiary Midland Funding Prevails in U.S. Supreme Court Decision

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High Court reverses Eleventh Circuit ruling in Midland Funding, LLC v. Johnson

SAN DIEGO, May 16, 2017 (GLOBE NEWSWIRE) -- [Encore Capital Group](#), Inc. (NASDAQ:ECPG), an international specialty finance company, today announced that its subsidiary Midland Funding prevailed in the case [Midland Funding, LLC v. Johnson](#), which was before the Supreme Court of the United States. The high court reversed the U.S. Court of Appeals for the Eleventh Circuit, holding that the filing of an accurate proof of claim on an unextinguished time-barred debt does not violate the Fair Debt Collection Practices Act (FDCPA).

"We work hard to ensure our operations are in compliance with the laws governing our industry, but it's often the case that even judges disagree about what those laws may require," said Kenneth A. Vecchione, president and CEO of Encore. "It's encouraging to see the Supreme Court agree with the prevailing view and confirm that our practices were appropriate."

In the majority opinion, the court concluded that Midland's filing of an accurate proof of claim on an unextinguished time-barred debt was not "false, deceptive or misleading" because under state law, the expiration of the statute of limitations did not extinguish the debt. It also found that the filing was not improper. The court noted that, in bankruptcy, the debtor has many additional protections against time-barred debts and added that the statute of limitations provides an affirmative defense that the trustee, not the creditor, has the responsibility to raise. The court further reasoned that applying the FDCPA in this case would upset the balance Congress struck in adopting the Bankruptcy Code.

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 and credit unions.

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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