

PORTFOLIO RECOVERY ASSOCIATES INC  
Form 8-K  
January 25, 2006

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

January 20, 2006

Portfolio Recovery Associates, Inc.

(Exact name of registrant as specified in its charter)

Delaware

000-50058

75-3078675

(State or other jurisdiction  
of incorporation)

(Commission  
File Number)

(I.R.S. Employer  
Identification No.)

120 Corporate Boulevard, Norfolk, Virginia

23502

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

888-772-7326

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))

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**Item 1.01 Entry into a Material Definitive Agreement.**

Cash Bonuses Awarded to Named Executive Officers

On January 20, 2006, Portfolio Recovery Associates, Inc. (the "Company"), upon the recommendation of its Compensation Committee, awarded annual incentive cash bonuses to its named executive officers, based on the Company's 2005 fiscal year performance targets. These bonus awards are designed to provide the named executive officers with incentive compensation based upon the Company's achievement of stated performance targets, and each executive officer's individual contribution to the Company's achievement of its performance targets. The bonuses paid in 2006 were based on the Company's achievement of its 2005 performance goals. The bonuses awarded in 2006 are set forth below:

Steven D. Fredrickson Chairman and Chief Executive Officer \$750,000  
Kevin P. Stevenson EVP/Chief Financial & Administrative Officer \$500,000  
Craig A. Grube EVP, Acquisitions \$500,000  
Judith S. Scott EVP, General Counsel & Secretary \$175,000

**Item 9.01 Financial Statements and Exhibits.**

- (a) Financial Statements: None.
  - (b) Pro Forma financial information: None.
  - (c) Exhibits: None.
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**SIGNATURES**

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.

Portfolio Recovery Associates, Inc.

*January 25, 2006*

By: */s/ Kevin P. Stevenson*

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*Name: Kevin P. Stevenson*

*Title: EVP*