

PORTFOLIO RECOVERY ASSOCIATES INC

Form 4

February 20, 2007

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 *
GRUBE CRAIG A

2. Issuer Name **and** Ticker or Trading
Symbol
PORTFOLIO RECOVERY
ASSOCIATES INC [PRAA]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
120 CORPORATE BLVD, SUITE
100

3. Date of Earliest Transaction
(Month/Day/Year)
02/15/2007

____ Director ____ 10% Owner
__X__ Officer (give title ____ Other (specify
below) below)
Executive VP - Acquisitions

(Street)
NORFOLK, VA 23502

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

6. Individual or Joint/Group Filing(Check
Applicable Line)
__X__ 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 Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price		
Common Stock	02/15/2007		M ⁽¹⁾		1,199	A	\$ 13	37,224	D
Common Stock	02/15/2007		S ⁽¹⁾		999	D	\$ 48.5	36,225	D
Common Stock	02/15/2007		S ⁽¹⁾		200	D	\$ 48.51	36,025	D
Common Stock	02/16/2007		M ⁽¹⁾		3,401	A	\$ 13	39,426	D
Common Stock	02/16/2007		S ⁽¹⁾		3,401	D	\$ 48.5	36,025	D

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

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(9-02)

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Stock option (right to buy)	\$ 13	02/15/2007		M	1,199	11/07/2006 11/07/2009	Common Stock	1,199
Stock option (right to buy)	\$ 13	02/16/2007		M	3,401	11/07/2006 11/07/2009	Common Stock	3,401

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GRUBE CRAIG A 120 CORPORATE BLVD SUITE 100 NORFOLK, VA 23502			Executive VP - Acquisitions	

Signatures

/s/ Craig A.
Grube 02/20/2007

**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) The exercise of stock options is pursuant to a Rule 10b5-1 plan. The plan allows for the exercise of up to 23,000 stock options and the sale of the underlying common stock shares beginning in November 2006 and ending in May 2007. The Plan also allows for the sale of 5,000 shares that the reporting person owns outright. There are 13,800 stock options remaining to be exercised and 18,800 shares to be sold under the plan.

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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