

CONSUMER PORTFOLIO SERVICES, INC.

COMPENSATION COMMITTEE CHARTER

(as amended May 2, 2007)

1. MEMBERS:

1.1. The Board of Directors (the “Board”) of Consumer Portfolio Services, Inc. (the “Company”) shall maintain a Compensation Committee (the “Committee”) of at least three members, consisting entirely of independent directors, and the Board shall designate one member as chair of the Committee (the “Chair”).

1.2. Each member of the Committee shall be an “independent” director of the Company. For purposes hereof, “independent” shall mean a director who: (a) meets the definition of “independence” established by the National Association of Securities Dealers, Inc. (“NASD”) and (b) meets the criteria for independence set forth in Section 301 of the Sarbanes-Oxley Act of 2002 (“Sarbanes-Oxley”) and the SEC rules implementing Section 301. Additionally, each member of the Committee shall also be a “non-employee director” (within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and an “outside director” (within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder).

2. PURPOSE:

The purposes of the Committee are to discharge the responsibilities of the Board relating to compensation of the Company’s executive officers and directors and such other employee compensation matters as may be delegated by the Board and to prepare the report on executive compensation required by the rules of the Securities and Exchange Commission (the “SEC”) for inclusion in the Company’s annual proxy statement.

3. DUTIES AND RESPONSIBILITIES:

In furtherance of the foregoing purposes, the duties and responsibilities of the Committee are to:

3.1. Oversee the Company’s overall compensation structure, policies and programs, assess whether the Company’s compensation structure establishes appropriate incentives for management and employees and delegate to the chief executive officer (the “CEO”) certain employee compensation determinations.

3.2. Administer and make recommendations to the Board with respect to the Company’s incentive-compensation plans.

3.3. Review and approve corporate goals and objectives relevant to the compensation of the CEO, evaluate the CEO’s performance in light of those goals and objectives, and set the CEO’s compensation level based on this evaluation and while meeting in executive session.

3.4. Review and approve the evaluation process and compensation structure for other executive officers (such officers determined in accordance with the definition of “officer” at Rule 16a-1 of the Exchange Act, (the “Executive Officers”)) and set the

compensation for such executive officers. For purposes of this Section 3.4, the CEO may be present and provide recommendations during the Committee's deliberations in this regard but may not vote.

3.5. Review and approve the design of equity-based incentive and other benefit plans pertaining to executive officers.

3.6. Review and approve employment agreements and severance arrangements for executive officers, including change-in-control, plans, agreements or arrangements.

3.7. Approve stock option and other equity-based incentive awards to employees.

3.8. Review the compensation and benefits of directors for service on the Board and its committees and recommend any changes therein to the Board.

3.9. Evaluate the performance of the Committee, the adequacy of the Committee's charter and make recommendations to the Board regarding proposed changes in operation or the charter.

3.10. Review and discuss with management the form of Compensation Discussion and Analysis proposed for inclusion in the Company's public reports, and recommend whether such disclosure be included in such reports.

3.11. Perform such other duties and responsibilities as are consistent with the purpose of the Committee and as the Board delegates to the Committee from time to time.

4. SUBCOMMITTEES:

The Committee may delegate any of the foregoing duties and responsibilities to a subcommittee of the Committee consisting of not less than two members of the Committee.

5. OUTSIDE ADVISORS:

The Committee will have the authority to retain at the expense of the Company such outside counsel, experts, and other advisors as it determines appropriate to assist it in the full performance of its functions, including sole authority to retain and terminate any compensation consultant used to assist the Committee in the evaluation of director, CEO or senior executive compensation, and to approve the consultant's fees and other retention terms.

6. MEETINGS:

6.1. The Committee shall meet as frequently as may be determined necessary or appropriate by the Chair of the Committee, either in person or telephonically. The Committee shall meet at the call of the Chair, of the CEO, of the corporate secretary, or of any member of the Committee. The presence of a majority of the members of the Committee shall constitute a quorum for the transaction of business.

6.2. Procedures fixed by the Committee shall be subject to any applicable provision of the Company's by-laws. Written minutes of each meeting shall be duly filed

in the Company records, and reports of meetings of the Committee shall be made to the Board at its next regularly scheduled meeting following the Committee meeting.

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