

Consumer Portfolio Services, Inc. (the “Corporation”)

Amended and Restated Audit Committee Charter

(as approved March 26, 2004, and re-approved, without change, on February 8, 2007)

The Audit Committee is appointed by the Board of Directors to act on behalf of the Corporation to monitor (1) the integrity of the financial statements of the Corporation, (2) the compliance by the Corporation with legal and regulatory requirements and (3) the independence, qualification and performance of the Corporation’s auditors.

The Audit Committee shall be composed of at least three members. The members of the Audit Committee shall meet the independence and experience requirements of Nasdaq and applicable federal law. At least one member of the Audit Committee shall be a “financial expert” within the meaning of the rules adopted by the Securities and Exchange Commission. The members and the chairperson of the Audit Committee shall be appointed by the Board to serve indefinite terms, subject to removal by the Board.

The Audit Committee shall have the authority to retain special legal, accounting or other consultants to advise the Committee. The Audit Committee may require any officer or employee of the Corporation or the Corporation’s outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, consultants to, the Committee.

The Audit Committee shall report regularly to the Board.

The Audit Committee shall:

1. Review and reassess the adequacy of this Charter on an annual basis and submit any proposed revisions to the Board for approval.
2. Review the annual audited financial statements with management, including major issues regarding accounting and auditing principles and practices as well as the adequacy of internal controls that could significantly affect the Corporation’s financial statements.
3. Review an analysis prepared by management and the independent auditor of significant financial reporting issues and judgments made in connection with the preparation of the Corporation’s financial statements.
4. Review with management and the independent auditor the major issues regarding accounting principles that may materially affect the Corporation’s quarterly financial statements, prior to the announcement of the quarterly results of operations.
5. Meet periodically with management to review the Corporation’s major financial risk exposures and the steps management has taken to monitor and control such expenses.
6. Review major changes to the Corporation’s auditing and accounting principles and practices as suggested by the independent auditor or management.
7. Act on behalf of the Corporation to appoint or discharge the independent auditor, which firm shall report directly to the Audit Committee.
8. Pre-approve the audit and permitted non-audit fees to be paid to the independent auditor, and authorize on behalf of the Corporation (or refuse authorization) the payment of such fees; the Audit Committee being empowered to delegate such authority to one or more of its members.

9. Receive periodic reports from the independent auditor regarding the auditor's independence, including the written disclosures required by Independence Standards Board Standard No. 1, and discuss such reports with the auditor, and take appropriate action on behalf of the Corporation to ensure the independence of the auditor and the absence of conflicts of interest.
10. Evaluate the performance of the independent auditor and determine whether to replace the independent auditor.
11. Meet with the independent auditor prior to the audit to review the planning and staffing of the audit, including required independent auditor partner rotations.
12. Obtain from the independent auditor assurance that Section 10A of the Private Securities Litigation Reform Act of 1995 has not been implicated.
13. Discuss with the independent auditor the matters required to be discussed by Statement on Auditing Standards No. 61 relating to the conduct of the audit.
14. Review with the independent auditor any problems or difficulties the auditor may have encountered and any management letter provided by the auditor and the Corporation's response to that letter. Such review should include any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information.
15. Prepare the report required by the rules of the Securities and Exchange Commission to be included in the Corporation's annual proxy statement.
16. Advise the Board with respect to the Corporation's policies and procedures regarding compliance with applicable laws and regulations.
17. Review with the Corporation's general counsel legal matters that may have a material effect on the financial statements, the Corporation's compliance policies and any material reports or inquiries received from regulators or governmental agencies.
18. Approve or disapprove all proposed related party transactions involving the Corporation.
19. Meet at least annually with chief financial officer and the independent auditor in separate executive sessions.
20. Establish procedures governing the submission, receipt, retention and treatment of complaints and concerns regarding internal controls, accounting and audit matters, and the anonymous submission by employees of concerns regarding confidential accounting or auditing matters.
21. Establish policies for the hiring of employees and former employees of the independent auditor.
22. Perform such additional functions as the Board of Directors may from time to time assign to the Audit Committee.

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Corporation's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management. Nor is it the duty of the Audit Committee to conduct investigations, to resolve disagreements, if any, between management and the independent auditor or to ensure compliance with laws and regulations.