UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON DC 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) April 17, 2019

CONSUMER PORTFOLIO SERVICES, INC.
(Exact Name of Registrant as Specified in Charter)

CALIFORNIA	1-11416	33-0459135
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

3800 Howard Hughes Pkwy, Suite 1400, Las Vegas, NV 89169
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code (949) 753-6800

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 (see General Instruction A.2. below):

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01. Entry into a Material Definitive Agreement.

The information contained in Item 2.03 of this report is hereby incorporated by reference into this Item 1.01. The registrant disclaims any implication that the agreements relating to the transactions described in this report are other than agreements entered into in the ordinary course of its business.

On April 17, 2019, the registrant Consumer Portfolio Services, Inc. ("CPS") and its wholly owned subsidiary CPS Receivables Five LLC ("Subsidiary") entered into a series of agreements under which Subsidiary purchased from CPS, and sold to CPS Auto Receivables Trust 2019-B (the "Trust"), approximately $143.0 million of subprime automotive receivables (the "Initial Receivables"). Subsidiary also committed to purchase and to sell to the Trust, and CPS committed to sell to Subsidiary, an additional $87.0 million of similar automotive receivables (the "Subsequent Receivables" and together with the Initial Receivables, the "Receivables").

Item 2.02 Results of Operations and Financial Condition.

On April 18, 2019, the registrant announced its earnings for the quarter ended March 31, 2019. A copy of the announcement is attached as an exhibit to this report.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

CPS, Subsidiary, the Trust and others on April 17, 2019, entered into a series of agreements that, among other things, created long-term obligations that are material to CPS, Subsidiary and the Trust. Under these agreements (i) CPS sold the Initial Receivables to Subsidiary, and committed to sell the Subsequent Receivables to Subsidiary not later than June 1, 2019, (ii) Subsidiary sold the Initial Receivables to the Trust, and committed to sell the Subsequent Receivables to the Trust, (iii) the Trust deposited the Initial Receivables, and committed to deposit the Subsequent Receivables, with Wells Fargo Bank, N.A. ("Wells Fargo"), as trustee of a grantor trust, receiving in return a certificate of beneficial interest ("CBI") representing beneficial ownership of the Receivables, (iv) the Trust pledged the CBI to Wells Fargo as indenture trustee for benefit of the holders of the Notes (as defined below), (v) the Trust issued and sold $228.3 million of asset-backed Notes, in six classes (such Notes collectively, the "Notes"), (vi) a portion of the proceeds from the sale of the Notes was pledged to Wells Fargo as trustee for benefit of the holders of the Notes, to be used to fund the purchase price of the Subsequent Receivables, and (vii) a cash deposit (the "Reserve Account") in the amount of 1.00% of the aggregate balance of the Initial Receivables was pledged for the benefit of the holders of the Notes.

Security for the repayment of the Notes consists of the Initial Receivables and, when and if sold, the Subsequent Receivables, and the rights to payments relating to the Receivables. The Receivables were purchased by CPS from automobile dealers, and CPS will act as the servicer of the Receivables. Credit enhancement for the Notes consists of over-collateralization and the Reserve Account. Wells Fargo will act as collateral agent and trustee on behalf of the secured parties, and is the backup servicer.

The Notes are obligations only of the Trust, and not of Subsidiary nor of CPS. Nevertheless, the Notes are properly treated as long-term debt obligations of CPS. The sale and issuance of the Notes, treated as secured financings for accounting and tax purposes, are treated as sales for all other purposes, including legal and bankruptcy purposes. None of the assets of the Trust or Subsidiary are available to pay other creditors of CPS or its affiliates.

Upon completion of the anticipated May 2019 sale of the Subsequent Receivables to the Trust, the Trust will hold a fixed pool of amortizing assets. The Trust is obligated to pay principal and interest on the Notes on a monthly basis. Interest is payable at fixed rates on the outstanding principal balance of each of the six classes of the Notes, and principal is payable by reference to the aggregate principal balance of the Receivables (adjusted for chargeoffs and prepayments, among other things) and agreed required over-collateralization. The following table sets forth the interest rates and initial principal amounts of the six classes of Notes:

Note Class	Interest Rate	Amount
Class A	2.89%	$99,750,000
Class B	3.09%	$38,410,000
Class C	3.05%	$32,660,000
Class D	3.69%	$27,830,000
Class E	5.00%	$25,070,000
Class F	7.48%	$6,555,000

The 2019-B transaction has initial credit enhancement consisting of a cash deposit equal to 1.00% of the original receivable pool balance and over-collateralization of 0.75%. The final enhancement level requires accelerated payment of principal on the Notes to reach overcollateralization of the lesser of 6.45% of the original receivable pool balance (Initial Receivables and Subsequent Receivables, taken together), or 18.70% of the then outstanding pool balance, but in no event less than 2.50% of the original receivable pool balance.

If an event of default were to occur under the agreements, the Trustee would have the right to accelerate the maturity of the Notes, in which event the cash proceeds of the Receivables that otherwise would be released to Subsidiary would instead be directed entirely toward repayment of the Notes. Events of default include such events as failure to make required payments on the Notes, breaches of warranties, representations or covenants under any of the agreements or specified bankruptcy-related events. In addition, if the Receivables (pledged as security for the Notes) were to experience net loss ratios that are higher than specified levels, the existence of such a "trigger event" would also require that the cash proceeds of the Receivables that otherwise would be released to Subsidiary would instead be directed to payment of principal on the Notes, until specified increased levels of overcollateralization were achieved.

At such time as the aggregate outstanding principal balance of the Receivables is less than 10% of the intended initial aggregate balance of $230.0 million, CPS will have the option to purchase the Trust estate at fair market value, provided that such purchase price is sufficient to cause the Notes to be redeemed and paid in full, and to cause other obligations of the Trust to be met.

Item 9.01. Financial Statements and Exhibits.

One exhibit is included with this report:

99.1 News release re April 17, 2019, transaction.

99.2 News release re earnings.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CONSUMER PORTFOLIO SERVICES, INC.

Dated: April 18, 2019

By: /s/ JEFFREY P. FRITZ
Jeffrey P. Fritz
Executive Vice President and Chief Financial Officer
Signing on behalf of the registrant

Exhibit 99.1

CPS

NEWS RELEASE

CPS Announces $228.3 Million Senior Subordinate Asset-Backed Securitization

LAS VEGAS, Nevada, April 17, 2019 (GlobeNewswire) – Consumer Portfolio Services, Inc. (Nasdaq: CPSS) (“CPS” or the “Company”) today announced the closing of its second term securitization in 2019. The transaction is CPS's 32nd senior subordinate securitization since the beginning of 2011 and the 15th consecutive securitization to receive a triple “A” rating from at least two rating agencies on the senior class of notes.

In the transaction, qualified institutional buyers purchased $228.3 million of asset-backed notes secured by $230 million in automobile receivables originated by CPS. The sold notes, issued by CPS Auto Receivables Trust 2019-B, consist of six classes. Ratings of the notes were provided by Standard & Poor’s and Kroll Bond Rating Agency, and were based on the structure of the transaction, the historical performance of similar receivables and CPS’s experience as a servicer.

Note Class	Amount (in millions)	Interest Rate	Average Life (years)	Price	S&P Rating	KBRA Rating
A	$97.8	2.89%	.68	99.99367%	AAA	AAA
B	$38.4	3.09%	1.79	99.99995%	AA	AA
C	$32.7	3.35%	2.47	99.99178%	A	A
D	$27.8	3.69%	3.23	99.97454%	BBB	BBB
E	$25.0	5.00%	4.02	99.99071%	BB-	BB
F	$ 6.6	7.48%	4.16	99.97432%	B	B+

The weighted average coupon on the notes is approximately 3.95%.

The 2019-B transaction has initial credit enhancement consisting of a cash deposit equal to 1.00% of the original receivable pool balance and over-collateralization of 0.75%. The transaction agreements require accelerated payment of principal on the notes to reach overcollateralization of the lesser of 6.45% of the original receivable pool balance, or 18.70% of the then outstanding pool balance.

The transaction utilizes a pre-funding structure, in which CPS sold approximately $143.0 million of receivables at inception and plans to sell approximately $87.0 million of additional receivables during May 2019. This further sale is intended to provide CPS with long-term financing for receivables purchased primarily in the month of April.

The transaction was a private offering of securities, not registered under the Securities Act of 1933, or any state securities law. All of such securities having been sold, this announcement of their sale appears as a matter of record only.

About Consumer Portfolio Services, Inc.

Consumer Portfolio Services, Inc. is an independent specialty finance company that provides indirect automobile financing to individuals with past credit problems, low incomes or limited credit histories. We purchase retail installment sales contracts primarily from franchised automobile dealerships secured by late model used vehicles and, to a lesser extent, new vehicles. We fund these contract purchases on a long-term basis through the securitization markets and service the loans over their entire contract terms.

Investor Relations Contact
Jeffrey P. Fritz, Chief Financial Officer
844-878-CPSS (844-878-2777)

Exhibit 99.2

CPS

NEWS RELEASE

CPS ANNOUNCES FIRST QUARTER 2019 EARNINGS

- Pretax income of $2.7 million
- Net income of $1.7 million, or $0.07 per diluted share
- New contract purchases of $243 million

LAS VEGAS, NV, April 18, 2019 (GlobeNewswire) -- Consumer Portfolio Services, Inc. (Nasdaq: CPSS) (“CPS” or the “Company”) today announced earnings of $1.7 million, or $0.07 per diluted share, for its first quarter ended March 31, 2019. This compares to net income of $3.1 million, or $0.12 per diluted share, in the first quarter of 2018.

Revenues for the first quarter of 2019 were $88.2 million, a decrease of $15.3 million, or 14.8%, compared to $103.6 million for the first quarter of 2018. Total operating expenses for the first quarter of 2019 were $85.6 million compared to $99.0 million for the 2018 period. Pretax income for the first quarter of 2019 was $2.7 million compared to pretax income of $4.6 million in the first quarter of 2018, a decrease of 41.3%.

During the first quarter of 2019, CPS purchased $243.0 million of new contracts compared to $251.8 million during the fourth quarter of 2018 and $210.6 million during the first quarter of 2018. The Company's receivables totaled $2.393 billion as of March 31, 2019, an increase from $2.381 billion as of December 31, 2018 and an increase from $2.332 billion as of March 31, 2018.

Annualized net charge-offs for the first quarter of 2019 were 7.98% of the average portfolio as compared to 8.16% for the first quarter of 2018. Delinquencies greater than 30 days (including repossession inventory) were 12.12% of the total portfolio as of March 31, 2019, as compared to 8.74% as of March 31, 2018.

“This quarter was our 30th consecutive quarter of positive pre-tax earnings. We achieved year over year growth in originations volumes and portfolio size and we’re looking forward the challenges and opportunities ahead of us in 2019,” said Charles E. Bradley, Jr., President and CEO. “

Conference Call

CPS announced that it will hold a conference call on Friday, April 19, 2019, at 12:00 p.m. ET to discuss its quarterly operating results. Those wishing to participate by telephone may dial-in at 877 312-5502 or 253 237-1131 approximately 10 minutes prior to the scheduled time. The conference identification number is 3479959.

A replay of the conference call will be available between April 19, 2019 and April 26, 2019, beginning two hours after conclusion of the call, by dialing 855 859-2056 or 404 537-3406 for international participants, with conference identification number 3479959. A broadcast of the conference call will also be available live and for 90 days after the call via the Company’s web site at www.consumerportfolio.com.

About Consumer Portfolio Services, Inc.

Consumer Portfolio Services, Inc. is an independent specialty finance company that provides indirect automobile financing to individuals with past credit problems, low incomes or limited credit histories. We purchase retail installment sales contracts primarily from franchised automobile dealerships secured by late model used vehicles and, to a lesser extent, new vehicles. We fund these contract purchases on a long-term basis primarily through the securitization markets and service the contracts over their lives.

Forward-looking statements in this news release include the Company's recorded revenue, expense and provision for credit losses, because these items are dependent on the Company’s estimates of incurred losses. The accuracy of such estimates may be adversely affected by various factors, which include (in addition to risks relating to the economy generally) the following: possible increased delinquencies; repossessions and losses on retail installment contracts; incorrect prepayment speed and/or discount rate assumptions; possible unavailability of qualified personnel, which could adversely affect the Company’s ability to service its portfolio; possible increases in the rate of consumer bankruptcy filings, which could adversely affect the Company’s rights to collect payments from its portfolio; other changes in government regulations affecting consumer credit; possible declines in the market price for used vehicles, which could adversely affect the Company’s realization upon repossessed vehicles; and economic conditions in geographic areas in which the Company's business is concentrated. All of such factors also may affect the Company’s future financial results, as to which there can be no assurance. Any implication that the results of the most recently completed quarter are indicative of future results is disclaimed, and the reader should draw no such inference. Factors such as those identified above in relation to the provision for credit losses may affect future performance.

Investor Relations Contact

Jeffrey P. Fritz, Chief Financial Officer
844 878-2777

Consumer Portfolio Services, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations
(In thousands, except per share data)
(Unaudited)

	Three months ended March 31, 2019	Three months ended March 31, 2018
Revenues:		
Interest income	$ 85,845	$ 100,906
Other income	2,385	2,657
	88,230	103,563
Expenses:		
Employee costs	19,073	20,641
General and administrative	8,174	7,495
Interest	27,290	24,062
Provision for credit losses	23,956	40,507
Other expenses	7,061	6,301
	85,554	99,006
Income before income taxes	2,676	4,557
Income tax expense	937	1,412
Net income	$ 1,739	$ 3,145
Earnings per share:		
Basic	$ 0.08	$ 0.15
Diluted	$ 0.07	$ 0.12
Number of shares used in computing earnings per share:		
Basic	22,242	21,576
Diluted	24,259	25,664

Condensed Consolidated Balance Sheets
(In thousands)
(Unaudited)

	March 31, 2019	December 31, 2018
Assets:		
Cash and cash equivalents	$ 8,914	$ 12,787
Restricted cash and equivalents	135,508	117,323
Total cash and cash equivalents	144,422	130,110
Finance receivables	1,344,360	1,522,085
Allowance for finance credit losses	(48,196)	(67,376)
Finance receivables, net	1,296,164	1,454,709
Finance receivables measured at fair value	997,552	821,066
Deferred tax assets, net	18,281	19,188
Other assets	74,826	60,607
	$ 2,531,245	$ 2,485,680
Liabilities and Shareholders' Equity:		
Accounts payable and accrued expenses	$ 54,804	$ 31,692
Warehouse lines of credit	117,104	136,847
Residual interest financing	39,199	39,106
Securitization trust debt	2,109,024	2,063,627
Subordinated renewable notes	12,986	17,290
	2,333,117	2,288,562
Shareholders' equity	198,128	197,118
	$ 2,531,245	$ 2,485,680

Operating and Performance Data ($ in millions)

	At and for the Three months ended March 31, 2019	2018
Contracts purchased	$ 243.03	$ 210.59
Contracts securitized	265.00	193.60
Total portfolio balance	$ 2,393.17	$ 2,332.32
Average portfolio balance	2,392.21	2,331.59
Allowance for finance credit losses as % of fin. receivables	3.59%	4.82%
Aggregate allowance as % of fin. receivables (1)	5.40%	5.95%
Delinquencies		
31+ Days	10.39%	7.14%
Repossession Inventory	1.73%	1.60%
Total Delinquencies and Repo. Inventory	12.12%	8.74%
Annualized net charge-offs as % of average portfolio	7.98%	8.16%
Recovery rates (2)	33.6%	33.8%

	For the Three months ended March 31, 2019		2018	
	$(3)	%(4)	$(3)	%(4)
Interest income	$ 85.85	14.4%	$ 100.91	17.3%
Servicing fees and other income	2.39	0.4%	2.66	0.5%
Interest expense	(27.29)	-4.6%	(24.06)	-4.1%
Net interest margin	60.94	10.2%	79.50	13.6%
Provision for credit losses	(23.96)	-4.0%	(40.51)	-6.9%
Risk adjusted margin	36.98	6.2%	38.99	6.7%
Core operating expenses	(34.31)	-5.7%	(34.44)	-5.9%
Pre-tax income	$ 2.68	0.4%	$ 4.56	0.8%

(1) Includes allowance for finance credit losses and allowance for repossession inventory.
(2) Wholesale auction liquidation amounts (net of expenses) as a percentage of the account balance at the time of sale.
(3) Numbers may not add due to rounding.
(4) Annualized percentage of the average portfolio balance. Percentages may not add due to rounding.