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) July 24, 2019

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

CALIFORNIA	1-14116	33-0459135
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

3800 Howard Hughes Parkway, 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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each Class	**Trading Symbol**	**Name of each exchange on which registered**
Common Stock, no par value	CPSS	The Nasdaq Stock Market LLC (Global Market)

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 any 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 July 24, 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-C (the "Trust"), approximately $161.1 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 $83.0 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 July 24, 2019, the registrant announced its earnings for the quarter ended June 30, 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 July 24, 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 September 7, 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 $243.5 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 August 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	2.55%	$105,095,000
Class B	2.63%	$41,501,000
Class C	2.84%	$35,398,000
Class D	3.17%	$31,248,000
Class E	4.30%	$24,656,000
Class F	6.94%	$5,615,000

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 0.25%. The final enhancement level requires accelerated payment of principal on the Notes to reach overcollateralization of the lesser of 6.00% of the original receivable pool balance (Initial Receivables and Subsequent Receivables, taken together), or 16.00% 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 $244.1 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 July 24, 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: July 30, 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 $243.5 Million Senior Subordinate Asset-Backed Securitization

LAS VEGAS, Nevada, July 24, 2019 (GlobeNewswire) – Consumer Portfolio Services, Inc. (Nasdaq: CPSS) ("CPS" or the "Company") today announced the closing of its third term securitization in 2019. The transaction is CPS's 33rd senior subordinate securitization since the beginning of 2011 and the 16th 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 $243.5 million of asset-backed notes secured by $244.1 million in automobile receivables originated by CPS. The sold notes, issued by CPS Auto Receivables Trust 2019-C, consist of six classes. Ratings of the notes were provided by Standard & Poor's and DBRS, 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	DBRS Rating
A	$105.1	2.55%	.67	99.99782%	AAA	AAA
B	$41.5	2.63%	1.79	99.99392%	AA	AA
C	$35.4	2.84%	2.50	99.97830%	A	A
D	$31.2	3.17%	3.31	99.99390%	BBB	BBB
E	$24.7	4.30%	4.05	99.98450%	BB-	BB
F	$ 5.6	6.94%	4.14	99.98681%	B	B

The weighted average coupon on the notes is approximately 3.36%.

The 2019-C transaction has initial credit enhancement consisting of a cash deposit equal to 1.00% of the original receivable pool balance and over-collateralization of 0.25%. The transaction agreements require accelerated payment of principal on the notes to reach overcollateralization of the lesser of 6.00% of the original receivable pool balance, or 16.00% of the then outstanding pool balance.

The transaction utilizes a pre-funding structure, in which CPS sold approximately $161.1 million of receivables at inception and plans to sell approximately $83.0 million of additional receivables during August 2019. This further sale is intended to provide CPS with long-term financing for receivables purchased primarily in the month of July.

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 SECOND QUARTER 2019 EARNINGS

§ Pretax income of $2.8 million
§ Net income of $1.8 million, or $0.08 per diluted share
§ New contract purchases of $250 million

LAS VEGAS, NV, July 24, 2019 (GlobeNewswire) -- Consumer Portfolio Services, Inc. (Nasdaq: CPSS) ("CPS" or the "Company") today announced earnings of $1.8 million, or $0.08 per diluted share, for its second quarter ended June 30, 2019. This compares to net income of $3.2 million, or $0.13 per diluted share, in the second quarter of 2018.

Revenues for the second quarter of 2019 were $86.3 million, a decrease of $13.0 million, or 13.1%, compared to $99.4 million for the second quarter of 2018. Total operating expenses for the second quarter of 2019 were $83.6 million compared to $94.7 million for the 2018 period. Pretax income for the second quarter of 2019 was $2.8 million compared to pretax income of $4.7 million in the second quarter of 2018, a decrease of 40.5%.

For the six months ended June 30, 2019 total revenues were $174.6 million compared to $202.9 million for the six months ended June 30, 2018, a decrease of approximately $28.4 million, or 14.0%. Total expenses for the six months ended June 30, 2019 were $169.1 million, a decrease of $24.6 million, or 12.7%, compared to $193.7 million for the six months ended June 30, 2018. Pretax income for the six months ended June 30, 2019 was $5.4 million, compared to $9.2 million for the six months ended June 30, 2018. Net income for the six months ended June 30, 2019 was $3.5 million compared to $6.3 million for the six months ended June 30, 2018.

During the second quarter of 2019, CPS purchased $250.1 million of new contracts compared to $243.0 million during the first quarter of 2019 and $214.7 million during the second quarter of 2018. The Company's receivables totaled $2.399 billion as of June 30, 2019, an increase from $2.393 billion as of March 31, 2019 and $2.329 billion as of June 30, 2018.

Annualized net charge-offs for the second quarter of 2019 were 7.82% of the average portfolio as compared to 7.58% for the second quarter of 2018. Delinquencies greater than 30 days (including repossession inventory) were 14.83% of the total portfolio as of June 30, 2019, as compared to 10.07% as of June 30, 2018.

"We are pleased to report that this quarter represented our fourth consecutive quarter of year over year increases in quarterly originations volume," said Charles E. Bradley, Jr., Chairman and Chief Executive Officer. "In addition, since Q3 of 2018, we have seen consecutive quarterly increases in the coupon rates on new receivables and lower fees paid to dealers."

Conference Call

CPS announced that it will hold a conference call on Thursday, July 25, 2019, at 1:00 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 3196842.
A replay of the conference call will be available between July 25, 2019 and August 1, 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 3196842. 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 June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Revenues:				
Interest income	$ 84,449	$ 97,012	$ 170,294	$ 197,918
Other income	1,876	2,350	4,261	5,008
	86,325	99,362	174,555	202,926
Expenses:				
Employee costs	19,706	19,842	38,779	40,483
General and administrative	8,750	7,450	16,924	14,946
Interest	27,703	25,187	54,993	49,249
Provision for credit losses	20,489	35,531	44,445	76,038
Other expenses	6,907	6,698	13,968	12,997
	83,555	94,708	169,109	193,713
Income before income taxes	2,770	4,654	5,446	9,213
Income tax expense	970	1,489	1,907	2,901
Net income	$ 1,800	$ 3,165	$ 3,539	$ 6,312
Earnings per share:				
Basic	$ 0.08	$ 0.15	$ 0.16	$ 0.30
Diluted	$ 0.08	$ 0.13	$ 0.15	$ 0.25
Number of shares used in computing earnings per share				
Basic	22,362	21,178	22,302	21,375
Diluted	23,978	25,123	24,119	25,393

Condensed Consolidated Balance Sheets
(In thousands)
(Unaudited)

	June 30, 2019	December 31, 2018
Assets:		
Cash and cash equivalents	$ 9,745	$ 12,787
Restricted cash and equivalents	125,486	117,323
Total cash and cash equivalents	135,231	130,110
Finance receivables	1,180,253	1,522,085
Allowance for finance credit losses	(32,664)	(67,376)
Finance receivables, net	1,147,589	1,454,709
Finance receivables measured at fair value	1,158,365	821,066
Deferred tax assets, net	17,119	19,188
Other assets	66,509	60,607
	$ 2,524,813	$ 2,485,680
Liabilities and Shareholders' Equity:		
Accounts payable and accrued expenses	$ 53,960	$ 31,692
Warehouse lines of credit	139,224	136,847
Residual interest financing	39,292	39,106
Securitization trust debt	2,077,286	2,063,627
Subordinated renewable notes	14,368	17,290
	2,324,130	2,288,562
Shareholders' equity	200,683	197,118
	$ 2,524,813	$ 2,485,680

Operating and Performance Data ($ in millions)

	At and for the Three months ended June 30,		At and for the Six months ended June 30,	
	2019	2018	2019	2018
Contracts purchased	$ 250.14	$ 214.74	$ 493.17	$ 425.34
Contracts securitized	230.00	205.00	495.00	398.58
Total portfolio balance	$ 2,399.22	$ 2,329.18	$ 2,399.22	$ 2,329.18
Average portfolio balance	2,398.92	2,330.29	2,395.57	2,330.94
Allowance for finance credit losses as % of fin. receivables	2.77%	5.00%		
Aggregate allowance as % of fin. receivables (1)	4.66%	6.16%		
Delinquencies				
31+ Days	13.15%	8.60%		
Repossession Inventory	1.68%	1.47%		
Total Delinquencies and Repo. Inventory	14.83%	10.07%		
Annualized net charge-offs as % of average portfolio	7.82%	7.58%	7.90%	7.87%
Recovery rates (2)	34.1%	34.9%	33.9%	34.4%

	For the Three months ended June 30,				For the Six months ended June 30,			
	2019		2018		2019		2018	
	$ (3)	%(4)	$ (3)	%(4)	$ (3)	%(4)	$ (3)	%(4)
Interest income	$ 84.45	14.1%	$ 97.01	16.7%	$ 170.29	14.2%	$ 197.92	17.0%
Servicing fees and other income	1.88	0.3%	2.35	0.4%	4.26	0.4%	5.01	0.4%
Interest expense	(27.70)	-4.6%	(25.19)	-4.3%	(54.99)	-4.6%	(49.25)	-4.2%
Net interest margin	58.62	9.8%	74.18	12.7%	119.56	10.0%	153.68	13.2%
Provision for credit losses	(20.49)	-3.4%	(35.53)	-6.1%	(44.45)	-3.7%	(76.04)	-6.5%
Risk adjusted margin	38.13	6.4%	38.64	6.6%	75.12	6.3%	77.64	6.7%
Core operating expenses	(35.36)	-5.9%	(33.99)	-5.8%	(69.67)	-5.8%	(68.43)	-5.9%
Pre-tax income	$ 2.77	0.5%	$ 4.65	0.8%	$ 5.45	0.5%	$ 9.21	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.