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 Regulated Industries Complaints Office
 Department of Commerce and Consumer Affairs
 State of Hawaii
 Leiopapa A Kamehameha Building
 235 South Beretania Street, Suite 900
 Honolulu, Hawaii 96813
 Telephone: 586-2660

DEPT. OF COMMERCE
 AND CONSUMER AFFAIRS

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HEARINGS OFFICE

Attorney for Department of Commerce
 and Consumer Affairs

COLLECTION AGENCIES PROGRAM
 DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
 STATE OF HAWAII

DEPT. OF COMMERCE
 AND CONSUMER AFFAIRS
 2009 JAN 15 P 1:50
 HEARINGS OFFICE

In the Matter of the Collection Agency)	COL 2008-38-L
License of)	
CONSUMER PORTFOLIO SERVICES,)	SETTLEMENT AGREEMENT PRIOR TO
INC., doing business as CPS,)	FILING OF PETITION FOR DISCIPLINARY
)	ACTION AND DIRECTOR'S FINAL ORDER
Respondent.)	

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SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION
 FOR DISCIPLINARY ACTION AND DIRECTOR'S FINAL ORDER

Petitioner, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS'
 REGULATED INDUSTRIES COMPLAINTS OFFICE (hereinafter "RICO" or "Petitioner"),
 through its undersigned attorney, and Respondent CONSUMER PORTFOLIO SERVICES, INC.,
 doing business as CPS (hereinafter "Respondent"), enter into this Settlement Agreement on the
 terms and conditions set forth below.

A. UNCONTESTED FACTS

1. At all relevant times herein, Respondent was licensed by the Collection Agencies
 Program (hereinafter the "Program") as a collection agency under License Number COLA 287.

The license was issued on or about January 5, 2001. The license will expire on or about June 30, 2010.

2. Respondent's mailing address for purposes of this action is Marvin Dang – PC, 1164 Bishop Street, Suite 1530, Honolulu, Hawaii 96813 and [REDACTED]

3. RICO received a complaint alleging that Respondent failed to report disciplinary action taken in the State of Vermont on January 10, 2008 within 30 days of the action.

4. RICO alleges that Respondent failed to report disciplinary action taken in another jurisdiction within 30 days of the action.

5. The foregoing allegations, if proven at an administrative hearing before the Program, would constitute violations of the following statute(s) and/or rule(s): Hawaii Revised Statutes ("HRS") § 436B-19(15) (failure to report within 30 days).

6. The Program has jurisdiction over the subject matter herein and over the parties hereto.

B. REPRESENTATIONS BY RESPONDENT

1. Respondent is fully aware that Respondent has the right to be represented by an attorney and voluntarily waives that right.

2. Respondent enters into this Settlement Agreement freely, knowingly, voluntarily, and under no coercion or duress.

3. Respondent is aware of the right to have a hearing to adjudicate the issues in the case. Pursuant to HRS § 91-9(d), Respondent freely, knowingly, and voluntarily waives the right

to a hearing and agrees to dispose of this case in accordance with the terms and conditions of this Settlement Agreement.

4. Respondent being at all times relevant herein licensed as a collection agency by the Program acknowledges that Respondent is subject to penalties including but not limited to, revocation, suspension or limitation of the license and administrative fines, if the foregoing allegations are proven at hearing.

5. Respondent does not admit to violating any law or rule, but acknowledges that RICO has sufficient cause to file a Petition for Disciplinary Action against Respondent's license.

6. Respondent enters into this Settlement Agreement as a compromise of the claims and to conserve on the expenses of proceeding with an administrative hearing on this matter.

7. Respondent agrees that this Settlement Agreement is intended to resolve the issues raised in RICO's investigation in RICO Case No. COL 2008-38-L.

C. TERMS OF SETTLEMENT

1. Administrative fine. Respondent agrees to pay a fine in the amount of FIVE HUNDRED AND NO/100 DOLLARS (\$500.00). Payment shall be made by **cashier's check or money order made payable to "DCCA - Compliance Resolution Fund"** and mailed to the Regulated Industries Complaints Office, Attn: Tammy Y. Kaneshiro, Esq., 235 S. Beretania Street, 9th Floor, Honolulu, Hawaii 96813. Payment of the fine shall be due at the time this fully executed Settlement Agreement is returned to RICO.

2. Failure to Comply with Settlement Agreement. If Respondent fails to fully and timely comply with the terms of this Settlement Agreement as set forth in paragraph(s) C.1. above, Respondent's license shall be automatically revoked upon RICO's filing of an affidavit

with the Program attesting to such failure. In case of such revocation, Respondent shall turn in all indicia of the license to the Executive Officer of the Program within ten (10) days after receipt of notice of the revocation. In case of such revocation, Respondent understands Respondent cannot apply for a new license until the expiration of at least five (5) years after the effective date of the revocation. Respondent understands that if Respondent desires to become licensed again, Respondent must apply to the Program for a new license pursuant to and subject to HRS §§ 92-17, 436B-21, and all other applicable laws and rules in effect at the time.

3. Possible further sanction. The Program, at its discretion, may pursue additional disciplinary action as provided by law to include further fines and other sanctions as the Program may deem appropriate if Respondent violates any provision of the statutes or rules governing the conduct of collection agencies in the State of Hawaii, or if Respondent fails to abide by the terms of this Settlement Agreement.

4. Approval of the Program. Respondent agrees that, except for the representations, agreements and covenants contained in Paragraphs C.5., C.6., C.7. and C.8. below, this Settlement Agreement shall not be binding on any of the parties unless and until it is approved by the Program.

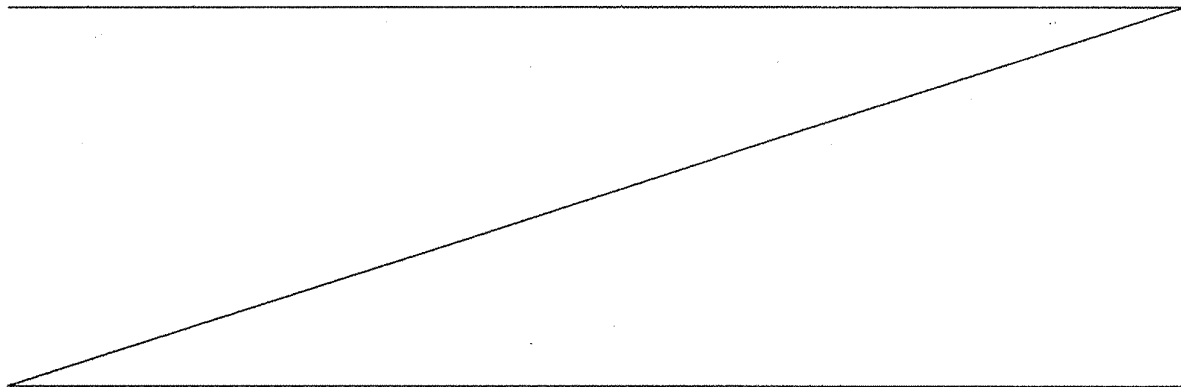
5. No Objection if the Program Fails to Approve. If the Program does not approve this Settlement Agreement, does not issue an order pursuant thereto, or does not approve a lesser remedy, but instead an administrative hearing is conducted against Respondent in the Program's usual and customary fashion pursuant to the Administrative Procedure Act, Respondent agrees that neither Respondent nor any attorney that Respondent may retain, will raise as an objection in any administrative proceeding or in any judicial action, to the Program's proceeding against

Respondent on the basis that the Program has become disqualified to consider the case because of its review and consideration of this Settlement Agreement.

6. Any Ambiguities Shall be Construed to Protect the Consuming Public. It is agreed that any ambiguity in this Settlement Agreement is to be read in the manner that most completely protects the interests of the consuming public.

7. No Reliance on Representations by RICO. Other than the matters specifically stated in this Settlement Agreement, neither RICO nor anyone acting on its behalf has made any representation of fact, opinion or promise to Respondent to induce entry into this Settlement Agreement, and Respondent is not relying upon any statement, representation or opinion or promise made by RICO or any of its agents, employees, representatives or attorneys concerning the nature, extent or duration of exposure to legal liability arising from the subject matter of this Settlement Agreement or concerning any other matter.

8. Complete Agreement. This Settlement Agreement is a complete settlement of the rights, responsibilities and liabilities of the parties hereto with respect to the subject matter hereof; contains the entire agreement of the parties; and may only be modified, changed or amended by written instrument duly executed by all parties hereto.



IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date(s) set forth below.

DATED: Irvine, California, 26 December 2008.
(City) (State) (Date)

CONSUMER PORTFOLIO SERVICES, INC.
Respondent

By: 
Its Sr. V.P. & Sec'y

DATED: Honolulu, Hawaii, 12/30/08.



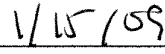
TAMMY Y. KANESHIRO
Attorney for Department of Commerce and
Consumer Affairs

IN THE MATTER OF THE COLLECTION AGENCY LICENSE OF CONSUMER
PORTFOLIO SERVICES, INC. DOING BUSINESS AS CPS; SETTLEMENT
AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY ACTION
AND DIRECTOR'S FINAL ORDER; RICO CASE NO. COL 2008-38-L

APPROVED AND SO ORDERED:
COLLECTION AGENCIES PROGRAM
STATE OF HAWAII



Director of the Department of Commerce
and Consumer Affairs



DATE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of ORANGE

On DEC 26 2008 before me, SCOTT N. SMITH NOTARY PUBLIC

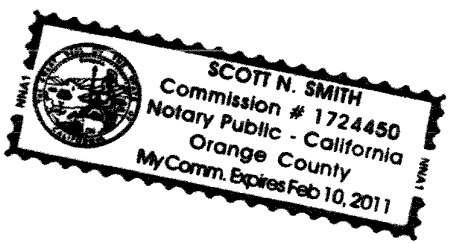
personally appeared MARIL CREATURA

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature]
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____