

FIRST COMMUNITY BANCORP /CA/
Form 11-K
June 29, 2006

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 11-K

- ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2005 or

- TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to .

Commission File No. 00-30747

- A. FULL TITLE OF THE PLAN AND THE ADDRESS OF THE PLAN, IF DIFFERENT FROM THAT OF THE ISSUER NAMED BELOW:

FIRST COMMUNITY BANCORP 401(k) PLAN

First Community Bancorp
120 Wilshire Blvd.
Santa Monica, California 90401

- B. NAME OF THE ISSUER OF THE SECURITIES HELD PURSUANT TO THE PLAN AND THE ADDRESS OF ITS PRINCIPAL EXECUTIVE OFFICE:

First Community Bancorp

6110 El Toro, P.O. Box 2388
Rancho Santa Fe, California 92067

FIRST COMMUNITY BANCORP
401(k) PLAN

Index

| | Page |
|---|-------------|
| <u>Report of Independent Registered Public Accounting Firm</u> | 1 |
| <u>Statements of Net Assets Available for Benefits December 31, 2005 and 2004</u> | 2 |
| <u>Statement of Changes in Net Assets Available for Benefits Year ended December 31, 2005</u> | 3 |
| <u>Notes to Financial Statements</u> | 4 |
| Supplemental Schedule | |
| <u>Schedule H, Line 4i Schedule of Assets (Held at End of Year) December 31, 2005</u> | 10 |

All other schedules are omitted because they are not required or applicable pursuant to the Employee Retirement Income Security Act of 1974 (ERISA) and Department of Labor regulations.

Report of Independent Registered Public Accounting Firm

The 401(k) Committee
First Community Bancorp 401(k) Plan:

We have audited the accompanying statements of net assets available for benefits of the First Community Bancorp 401(k) Plan (the Plan) as of December 31, 2005 and 2004 and the related statement of changes in net assets available for benefits for the year ended December 31, 2005. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2005 and 2004 and the changes in net assets available for benefits for the year ended December 31, 2005 in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule, Schedule H, Line 4i Schedule of Assets (Held at End of Year) as of December 31, 2005, is presented for purposes of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

/s/ KPMG LLP

Los Angeles, California
June 12, 2006

FIRST COMMUNITY BANCORP
401(k) PLAN

Statements of Net Assets Available for Benefits
December 31, 2005 and 2004

| | 2005 | 2004 |
|-----------------------------------|---------------|-------------|
| Investments at fair value: | | |
| Cash and cash equivalents | \$ 1,464,311 | 1,745,302 |
| Mutual funds | 12,815,597 | 11,341,541 |
| Common stock | 1,909,738 | 920,756 |
| Participant loans | 313,665 | 283,269 |
| Total investments | 16,503,311 | 14,290,868 |
| Receivables: | | |
| Employer contributions | 553,831 | 295,911 |
| Participant contributions | 64,582 | |
| Total receivables | 618,413 | 295,911 |
| Liabilities: | | |
| Excess contributions | 7,306 | 15,534 |
| Total liabilities | 7,306 | 15,534 |
| Net assets available for benefits | \$ 17,114,418 | 14,571,245 |

See accompanying notes to financial statements.

FIRST COMMUNITY BANCORP
401(k) PLAN

Statement of Changes in Net Assets Available for Benefits
Year ended December 31, 2005

| | |
|---|---------------|
| Additions to net assets attributable to: | |
| Investment income: | |
| Interest and dividends | \$ 610,368 |
| Net appreciation in fair value of investments | 701,648 |
| Total investment income | 1,312,016 |
| Contributions: | |
| Employer | 553,831 |
| Participants | 2,582,619 |
| Total contributions | 3,136,450 |
| Total additions | 4,448,466 |
| Deductions from net assets attributable to: | |
| Benefits paid to participants | 1,892,102 |
| Deemed distributions of loans | 3,860 |
| Excess contributions | 7,306 |
| Administrative expenses | 2,025 |
| Total deductions | 1,905,293 |
| Increase in net assets | 2,543,173 |
| Net assets available for benefits: | |
| Beginning of the year | 14,571,245 |
| End of the year | \$ 17,114,418 |

See accompanying notes to financial statements.

**FIRST COMMUNITY BANCORP
401(k) PLAN**

**Notes to Financial Statements
December 31, 2005 and 2004**

(1) Description of the Plan

The following description of the First Community Bancorp 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a complete description of the Plan's provisions.

(a) General

The Plan is a defined contribution plan which provides retirement benefits for eligible employees of First Community Bancorp and its subsidiaries (the Company) that have agreed to participate in the Plan. The Plan is administered by First Community Bancorp (the Sponsoring Employer) who acts by and through its administrative committee, the 401(k) Committee. The 401(k) Committee is presently comprised of seven officers of the Sponsoring Employer and Pacific Western Bank and First National Bank, subsidiaries of the Sponsoring Employer. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

(b) Plan Merger

The Plan was amended effective July 1, 2004 to merge 12 existing plans into the Rancho Santa Fe National Bank 401(k) Plan. The Plans merged into the Rancho Santa Fe National Bank 401(k) Plan include the following: First National Bank 401(k) Plan; Pacific Western National Bank 401(k) Plan; Bank of Coronado 401(k) Profit Sharing Plan; Verdugo Banking Company 401(k) Profit Sharing Plan; Capital Bank of North County Employees 401(k) Savings and Retirement Plan; First Professional Bank 401(k) Plan; First Community Bank Employee Stock Ownership Plan; Upland Bank 401(k) Plan; First Community Financial Corporation Employees 401(k) Plan; Harbor National Bank 401(k) Profit Sharing Plan; First Charter Bank 401(k) Plan; and Marathon National Bank 401(k) Plan. Upon merger of the aforementioned plans, the Rancho Santa Fe National Bank 401(k) Plan was renamed the First Community Bancorp 401(k) Plan.

(c) Contributions

Employees of the Company who complete three months of service and are at least 21 years of age are eligible to participate in the Plan on January 1, April 1, July 1, or October 1. Participants can contribute, under a salary reduction agreement, up to 60% of their eligible compensation, as defined, but not to exceed the dollar amount allowed by law, which was \$14,000 for 2005 and \$13,000 for 2004. The Company's Board of Directors determines the discretionary matching contribution on an annual basis. For the year 2005 plan year, the matching contribution was determined to be a maximum amount of 50% of the first 6% of covered compensation. Participants may also contribute amounts representing distributions (rollovers) from other tax favored plans, and participants age 50 and over may make unmatched catch-up contributions in accordance with Internal Revenue Code (IRC) regulations and limitations.

Participants direct the investment of their contributions into various investment options offered by the Plan. Company contributions are invested at the participant's discretion in the same manner as the salary reduction contributions.

FIRST COMMUNITY BANCORP
401(k) PLAN
Notes to Financial Statements (Continued)
December 31, 2005 and 2004

(d) Participant Accounts

Each participant account is credited with the participant's contributions, allocations of the Company's matching contribution and profit sharing contribution (if any), and earnings or losses. Earnings of the various funds are allocated to the participant balances according to the ratio that a participant's account balance or shares held in a given fund bears to the total of all account balances or shares held in the fund.

(e) Vesting

Participant contributions are immediately fully vested. For the Company's matching contributions, participants who were hired before July 1, 2004 are immediately fully vested in employer contributions as well. Participants who were hired after July 1, 2004 shall vest in matching contributions in accordance with the following schedule:

| Years of service | Vested percentage |
|------------------|----------------------|
| Less than 1 year | % |
| 1 | 20 |
| 2 | 40 |
| 3 | 60 |
| 4 | 80 |
| 5 | 100 |

Any nonvested amounts in a terminated participant's account will be forfeited in accordance with plan provisions. At December 31, 2005 and 2004, forfeited nonvested accounts totaled \$111,184 and \$107,080, respectively. During 2005, forfeitures were allocated to a forfeiture account and had not been allocated to participant accounts or used to pay administrative expenses.

(f) Benefit Payments

A participant may receive a distribution of his or her entire vested accrued benefit only upon the participant's termination of employment. While employed, a participant may receive a distribution of his or her rollover account and employee contribution deferrals for reason of financial hardship, in accordance with Plan provisions. Withdrawal of previously contributed employee after-tax contributions is also permitted in accordance with Plan provisions.

For distributions other than for financial hardship or on account of withdrawal of employee after-tax contributions, the method of payment shall be based on the participant's election and may be made in one or a combination of the following methods: a single lump sum; installments (if eligible as defined by the Plan); or direct transfer to an Individual Retirement Account (IRA) or tax favored plan that accepts the transfer. Distribution shall be made in cash or in-kind, in accordance with the participant's election and Plan provisions.

FIRST COMMUNITY BANCORP

401(k) PLAN

Notes to Financial Statements (Continued)

December 31, 2005 and 2004

(g) Participant Loans

Loans to participants may be made, at the discretion of the Plan's administrator, in an amount not less than \$1,000 and not to exceed the lesser of 50% of the participant's vested account balance or \$50,000 reduced by the highest outstanding loan balance in the participant's account during the prior 12-month period. Participants may only have one loan outstanding at a time. Such loans are collateralized by the participant's vested balance in the Plan and bear the prevailing interest rate used by lending institutions for loans made under similar circumstances. The terms of these loans cannot exceed five years, except if the loan is used to purchase the principal residence of the participant in which case the loan term may be extended for up to a period of ten years. Principal and interest are paid ratably through payroll deductions.

(h) Plan Termination

The Company has not expressed any intent to terminate the Plan; however, it may do so at any time, subject to the provisions of ERISA. In the event of Plan termination, participants automatically become fully vested in their accrued benefits.

(i) Plan Amendments

The plan was amended in July and September 2004. The July amendment changed the vesting percentage for participants who were hired before July 1, 2004 to one hundred percent (100%), regardless of the participant's years of service. The September amendment added real-time trading to the process of exchanging company stock.

(j) Excess Contributions

Excess contributions as of December 31, 2005 and 2004 represent amounts withheld from certain participants in excess of the statutory limits set by the Internal Revenue Code. Such amounts were refunded to the applicable participants during 2006 and 2005, respectively.

(2) Significant Accounting Policies

(a) Basis of Accounting

The financial statements of the Plan have been prepared on the accrual basis of accounting.

(b) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities in the statements of net assets available for benefits and the additions and deductions in the statements of changes in net assets available for benefits, as well as the disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

FIRST COMMUNITY BANCORP
401(k) PLAN
Notes to Financial Statements (Continued)
December 31, 2005 and 2004

(c) Investments

Publicly traded securities are carried at fair value based on the published market quotations. The Plan's investments in participant loans are valued at cost, which approximates fair value. Purchases and sales of investments are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date.

(d) Payment of Participant Benefits

Participant benefits are recorded when paid.

(e) Administrative Expenses

Administrative expenses of the Plan are paid by the Company, except for loan fees, which are charged to the applicable participant accounts. First Community Bancorp, the Plan's trustee, charges a fee for processing loan application transactions.

(f) Risks and Uncertainties

The Plan provides for various investment options in money market funds, mutual funds, common stocks, corporate debt, and government securities. Investment securities are exposed to various risks such as interest rate, market, and credit. Due to the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the various risk factors, in the near term, could materially affect participants' account balances and the amounts reported in the financial statements.

(g) Concentration of Credit Risk

Investment in the common stock of First Community Bancorp comprises approximately 11.6% and 6.4% of the Plan's investments as of December 31, 2005 and 2004, respectively.

FIRST COMMUNITY BANCORP**401(k) PLAN****Notes to Financial Statements (Continued)****December 31, 2005 and 2004****(3) Investments**

The following table presents the fair value of investments as of December 31, 2005 and 2004, with individual investments representing 5% or more of the Plan's net assets available for benefits separately identified:

| | Investment | 2005 | 2004 |
|---|-----------------------------------|---------------|-------------|
| Fidelity | Equity-Income Fund | \$ 984,948 | 1,044,364 |
| Fidelity | Capital Appreciation Fund | 1,031,353 | 972,586 |
| Fidelity | Blue Chip Growth Fund | 1,036,907 | 1,061,539 |
| Fidelity | Diversified International Fund | 1,160,951 | 975,181 |
| Fidelity | Small Cap Stock Fund | 1,507,421 | 1,564,577 |
| Fidelity | Freedom 2020 Fund | 1,203,506 | 1,046,235 |
| Fidelity | US Bond Index Fund | 1,241,109 | 1,446,754 |
| Fidelity | Spartan US Equity Index Fund | 852,992 | * 841,985 |
| Fidelity | Retirement Money Market Portfolio | 1,464,093 | 1,745,302 |
| First Community | Common stock | 1,909,738 | 920,756 |
| All investments less than 5% of Plan assets | | 4,110,293 | 2,671,589 |
| Total | | \$ 16,503,311 | 14,290,868 |

* Less than 5% as of December 31, 2005, presented for comparison only.

During 2005, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) on mutual funds, common and preferred stock, and government and agency securities appreciated in value by \$701,648 as follows:

| Investment | 2005 |
|-------------------|-------------|
| Mutual funds | \$ 352,608 |
| Common stock | 349,040 |
| Total | \$ 701,648 |

(4) Party-in-Interest Transactions

Certain Plan investments are shares of mutual funds managed by Fidelity. Fidelity is the custodian as defined by the Plan, and therefore, these transactions qualify as party-in-interest transactions. Certain Plan investments are shares of common stock of First Community Bancorp company stock, and thus, these are party-in-interest transactions.

(5) Income Taxes

The Company received a favorable tax determination letter on October 9, 2003 from the Internal Revenue Service stating that the Plan is qualified under IRC Section 401(a) and that the Trust is exempt from federal income taxes under provisions of Section 501(a). Although the Plan has been amended and restated, the plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

FIRST COMMUNITY BANCORP
401(k) PLAN
Notes to Financial Statements (Continued)
December 31, 2005 and 2004

(6) Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2005 to the Form 5500:

| | 2005 |
|--|---------------|
| Net assets available for benefits per the financial statements | \$ 17,114,418 |
| Add excess contributions refundable | 7,306 |
| Less contributions receivable | (618,413) |
| Net assets available for benefits per the Form 5500 | \$ 16,503,311 |

The following is a reconciliation of changes in net assets available for benefits per the financial statements for the years ended December 31, 2005 to the Form 5500:

| | 2005 |
|--|--------------|
| Change in net assets available for benefits per the financial statements | \$ 2,543,173 |
| Add prior year employer contributions receivable | 295,911 |
| Less current year employer contributions receivable | (553,831) |
| Less current year employee contributions receivable | (64,582) |
| Less prior year excess contributions payable | (15,534) |
| Add current year excess contributions payable | 7,306 |
| Net increase per the Form 5500 | \$ 2,212,443 |

FIRST COMMUNITY BANCORP
401(k) PLAN
Schedule H, Line 4i Schedule of Assets (Held at End of Year)
December 31, 2005

| Identity of issue, borrower, lessor, or similar party | Description of investment, including maturity date, rate of interest, collateral, par, or maturity value | Number of shares | Current value |
|---|---|---------------------|------------------|
| Cash and cash equivalents: | | | |
| Fidelity | Retirement Money Market | | \$ 1,464,093 |
| Fidelity | Stock Purchase Account | | 218 |
| | Total cash and cash equivalents | | 1,464,311 |
| Mutual funds: | | | |
| Fidelity | Contrafund | 4,168 | 416,747 |
| Fidelity | Equity-Income Fund | 19,787 | 984,948 |
| Fidelity | Value Fund | 7,905 | 649,692 |
| Fidelity | Capital Appreciation Fund | 37,364 | 1,031,353 |
| Fidelity | Blue Chip Growth Fund | 25,450 | 1,036,907 |
| Fidelity | Diversified International Fund | 34,050 | 1,160,950 |
| Fidelity | Small Cap Stock Fund | 86,155 | 1,507,420 |
| Fidelity | Freedom Income Fund | 3,925 | 46,965 |
| Fidelity | Freedom 2000 Fund | 691 | 161,601 |
| Fidelity | Freedom 2005 Fund | 402 | 17,137 |
| Fidelity | Freedom 2010 Fund | 8,776 | 311,203 |
| Fidelity | Freedom 2015 Fund | 25,352 | 379,785 |
| Fidelity | Freedom 2020 Fund | 74,945 | 1,203,506 |
| Fidelity | Freedom 2025 Fund | 15,917 | 309,384 |
| Fidelity | Freedom 2030 Fund | 21,856 | 393,810 |
| Fidelity | Freedom 2035 Fund | 5,143 | 82,114 |
| Fidelity | Freedom 2040 Fund | 13,822 | 195,499 |
| Fidelity | Intermediate Government Income Fund | 11,717 | 182,659 |
| Fidelity | US Bond Index Fund | 129,870 | 1,241,109 |
| Oakmark | Fund Class I | 2,825 | 214,743 |
| Artisan | Mid Cap Fund | 2,758 | 196,931 |
| Royce | Low Priced Stock Fund | 9,920 | 238,142 |
| Spartan | US Equity Index Fund | 19,638 | 852,992 |
| | Subtotal mutual funds | | 12,815,597 |
| Common stock: | | | |
| First Community | Common stock | 21,563 | 1,909,738 |
| Participant loans: | | | |
| The Plan | 52 Participant loans, interest rates from 5.00% to 8.75%; maturity dates from July 2, 2006 to January 31, 2011 | | 313,665 |
| | Total investments held at end of year | | \$ 16,503,311 |

See accompanying report of independent registered public accounting firm.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: June 29, 2006

FIRST COMMUNITY BANCORP
401(k) PLAN
/s/ JEFFREY T. KRUMPOCH
Jeffrey T. Krumpoch
Senior Vice President
First Community Bancorp

11
