



1116 West Riverside Avenue
Spokane, Washington 99201

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
To be held April 28, 2006

To Our Stockholders:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of NORTH COAST LIFE INSURANCE COMPANY will be held at the Spokane Club, Spokane, Washington, on Friday, April 28, 2006, at 10:30 o'clock A.M. in the Gourmet Room (fourth floor), for the following purposes:

- (1) To elect four Directors, two to be elected by the common stockholders and two by the preferred stockholders; and
- (2) To receive reports of the officers relative to the Company's progress and financial condition for 2005 and projections for 2006; and
- (3) To consider and act upon any matters incidental to the foregoing purposes and upon other matters which may properly come before the meeting.

More detailed information with respect to the above proposals is set forth in the accompanying Proxy Statement.

The By-Laws of the Company fix the close of business on March 18, 2006, as the record date for the determination of stockholders entitled to notice of and to vote at the meeting or any adjournment thereof.

All stockholders who find it convenient to do so are cordially invited and urged to attend the meeting in person. Luncheon will be served and stockholders will be guests of the Company.

Stockholders who cannot be present in person at the meeting are urged to promptly sign, date and mail the enclosed form of proxy to the Company in the enclosed self-addressed and stamped envelope. If you later find that you can attend the meeting in person, you can revoke your proxy at such meeting and cast your vote in person.

By order of the Board of Directors given at Spokane, Washington, this 24th day of March, 2006.

Secretary



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Spokane, Washington 99201

PROXY STATEMENT

Your Proxy in the form enclosed is solicited by the management of North Coast Life Insurance Company for use at the Annual Meeting of Stockholders to be held April 28, 2006, and any adjournments thereof. The cost of solicitation will be paid by the Company. Shares represented by proxies properly signed and returned will be voted at the meeting. The proxy may be revoked at any time before it is voted.

The Company has outstanding 611,983 shares of common stock entitled to vote at the meeting. Each share of common stock outstanding is entitled to one vote, but shares may be cumulatively voted in the election of Directors. Holders of the 362,691 shares of the preferred stock will vote for the election of two persons to represent them on the Board of Directors and common stockholders do not vote for these two Directors. A separate proxy card has been prepared for the preferred stockholders. Only stockholders of record at the close of business on March 18, 2006, are entitled to vote.

A copy of the Annual Report to Stockholders with the balance sheet and operating statement of the Company for 2005 is being enclosed with this mailing.

ELECTION OF DIRECTORS

The Proxy will be voted for the election of the nominees named in the following table, and in the event that any of the nominees refuse or are unable to serve, the Proxy will be voted in accordance with the best judgment of the person or persons acting thereunder. Under the By-Laws there are three classes of Directors serving for different periods of time. At the Annual Meeting in 2003, Nicholas R. Knapton and Robert J. Ogden were elected for terms of office expiring at the Annual Meeting in 2006. They are being renominated for terms of office expiring at the Annual Meeting in 2009.

Being renominated as Directors to represent the preferred stockholders are Nicholas R. Knapton and David A. Taisey. Mr. Knapton, who is an attorney and also a Certified Public Accountant, is associated with the accounting firm of McDirmid, Mikkelsen & Secrest in Spokane. Mr. Taisey is the President of Empire Investment Group, a subsidiary of which was the underwriter for our preferred stock issue in 1992 and 1993. These Directors serve annual terms and are not a part of the classes of Directors who represent the common stockholders except for Mr. Knapton. The preferred stockholders, voting separately as a class, have the right to elect two Directors to the Company's Board of Directors

so long as at least 50% in principal amount of such stock remains outstanding. Such Directors, like each of the Company's other Directors, are required under Washington corporate law to act in the best interest of all shareholders and not merely in the best interest of the holders of the Series A Preferred stock. Except as to matters affecting the preferred stock and as otherwise expressly required by applicable law, holders of the shares of the Series A Preferred stock are not entitled to vote on any other matters on which shareholders have the right to vote. Holders of Series A Preferred stock are not entitled to cumulative voting rights. Mr. Knapton, who holds both common and preferred stock, was elected to the Board at a meeting of the Executive and Finance Committees on December 14, 2001, and represents both the common and preferred stockholders. While he holds a regular term on the Board which expires in 2006, he also has been elected annually by the preferred stockholders to be one of their representatives and serves in a dual capacity. Mr. Taisey, who personally holds neither preferred nor common stock, was elected to the Board as a representative of the preferred stockholders on July 27, 2005, to fill a vacancy caused by the resignation of Ronald R. Snyder.

If for any reason any nominee is not a candidate when the election occurs, it is intended that the proxy will be voted for the election of the other nominees and may be voted for any substitute nominee. However, the management does not expect substitutions to occur.

Continuing Directors are listed in the following table under the caption "Directors Continuing in Office."

**NOMINEES AS DIRECTORS TO BE
VOTED ON BY COMMON STOCKHOLDERS**

Name	Principal Occupation or Employment	Director Since	Term Expires	Shares Beneficially Owned 12/31/05	
				Common	Preferred
Nicholas R. Knapton	Certified Public Accountant, McDirmid, Mikkelsen & Secrest, Spokane. <small>*(Includes 6,000 common and 67,470 preferred shares directly held.)</small>	2001	2006	25,000*	111,670*
Robert J. Ogden	Executive Vice President-Sales and Insurance Operations, North Coast Life <small>*(Includes 22,650 common shares owned of record by minor children of Mr. Ogden.)</small>	1990	2006	54,651*	----

**NOMINEES AS DIRECTORS TO BE
VOTED ON BY PREFERRED STOCKHOLDERS**

Name	Principal Occupation or Employment	Director Since	Term Expires	Shares Beneficially Owned 12/31/05	
				Common	Preferred
Nicholas R. Knapton	Certified Public Accountant, McDirmid, Mikkelsen & Secrest, Spokane. <small>*(Includes 6,000 common and 67,470 preferred shares directly held.)</small>	2001	2006	25,000*	111,670*
David A. Taisey	President, Empire Investment Group Spokane	2005	2006	----	----

DIRECTORS CONTINUING IN OFFICE

Name	Principal Occupation or Employment	Director Since	Term Expires	Shares Beneficially Owned 12/31/05	
				Common	Preferred
Ronald D. Andrews	Andrews Orchards, Mead, WA	1994	2007	20,713	----
Gavin J. Cooley	Chief Financial Officer, City of Spokane; Former Treasurer, North Coast Life 1990-2003	2000	2008	----	----
William C. Fix	President, William C. Fix Investments, Spokane	1982	2008	2,600	----
Robin L. Johnston	Treasurer, North Coast Life	2005	2008	----	----
David M. Ogden	Owner, Clear Creek Recording Studios, Bakersfield, CA	2004	2008	17,000	----
Douglas H. Ogden	Executive Vice President, General Counsel and Program Officer, The Energy Foundation, San Francisco <small>*(Includes 14,000 common shares owned of record by minor children of Mr. Ogden.</small>	1998	2007	37,000*	----
C. Robert Ogden	President, North Coast Life; Pres., R. J. Martin Mortgage Co. <small>*(Includes 306,042 common shares owned of record by R. J. Martin Mortgage Co., which Mr. Ogden and his family controls, and 62,077 common shares owned by West 1116 Riverside Ave. Partners of which Mr. Ogden is Managing Partner. Also includes 2,400 preferred shares owned of record by R. J. Martin Mortgage Co.)</small>	1965	2007	376,026*	6,310*

REMUNERATION OF OFFICERS

The five highest-paid officers of the Company in 2005 included C. Robert Ogden, President; Robert J. Ogden, Executive Vice President-Sales and Insurance Operations; Robin L. Johnston, Treasurer; Clifford D. Kutsch, Secretary; and David E. Thrums, Assistant Vice President. Messrs. C. R. Ogden and R. J. Ogden each received remuneration exceeding \$100,000 during 2005. Aggregate 2005 remuneration (salaries plus benefits) for all officers (thirteen people) was \$831,271. Directors (other than employees) receive fees of \$150 for each meeting attended.

The Company has a 401(k) retirement plan for its employees.

INTEREST IN MATERIAL TRANSACTIONS

No Director has any known pecuniary interest, direct or indirect, in any matters to be acted upon at the meeting other than election to office, nor in any material transaction in 2005 nor in any contemplated transaction.

REPORTS OF OFFICERS

Stockholders will hear reports from management concerning the operation and financial condition of the Company in 2005 and projections for 2006 operations, and reference is made to the Annual Report to Stockholders forwarded with this proxy statement.

Stockholders will be asked to ratify the actions of the Board of Directors during the year.

Stockholders will be asked to approve a reduction of the number of Directors from 12 to 10, the number of Directors now in office.

OTHER MATTERS THAT MAY COME BEFORE THE MEETING

The management knows of no other business which will be brought before the meeting other than the items mentioned above. However, if any other matters shall properly come before the meeting, it is the intention of the person or persons named in the enclosed proxy form to vote such proxy in accordance with their best judgment with respect thereto.

NORTH COAST LIFE INSURANCE COMPANY

Spokane, Washington

March 24, 2006

Secretary