AMCON DISTRIBUTING CO
Form SC 13D
March 10, 2006

OMB APPROVAL
OMB Number: 3235-0145
Expires: February 28, 2006
Estimated average burden
hours per response...15

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No.)*

AMCON Distributing Company
(Name of Issuer)
Common Stock, par value $0.01 per share
(Title of Class of Securities)
02341Q106
(CUSIP Number)
Jerry J. Burgdoerfer, Esq.
Jenner & Block LLP
One IBM Plaza
Chicago, IL 60611
(Name, Address and Telephone Number of Person Authorized to
Receive Notices and Communications)
March 7, 2006
(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. o

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person s initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 (Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

1	NAMES OF REPORTING PERSONS: Draupnir Capital, LLC I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS): (a) o (b) þ		
3	SEC USE ONLY:		
4	SOURCE OF FUNDS (SEE INSTRUCTIONS): AF		
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e): o		
6	CITIZENSHIP OR PLACE OF ORGANIZATION: Delaware		
NUMBER OF		7	SOLE VOTING POWER: 146,842 [1]
SHARES BENEFICIALLY OWNED BY		8	SHARED VOTING POWER: 0

EACH REPORTING PERSON	**9**	SOLE DISPOSITIVE POWER: 146,842 [1]
WITH	**10**	SHARED DISPOSITIVE POWER: 0
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON: 146,842 [1]	
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS): o	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11): 21.8% [2]	
14	TYPE OF REPORTING PERSON (SEE INSTRUCTIONS): OO	

[1] Includes 146,842 shares of Common Stock of AMCON Distributing Company that would be issued upon conversion of 80,000 shares of Series C Convertible Stock at a price of $13.62 per share.

[2] The percentage reported in row (13) is calculated based upon 673,904 shares of Common Stock of AMCON Distributing Company issued and outstanding, including 527,062 shares of Common Stock of AMCON Distributing Company issued and outstanding as of January 17, 2005 and the 146,842 shares of Common Stock issuable upon conversion of the Reporting Person s Series A and Series C Convertible Preferred Stock.

1	NAMES OF REPORTING PERSONS: Draupnir, LLC I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS): (a) o (b) þ	
3	SEC USE ONLY:	
4	SOURCE OF FUNDS (SEE INSTRUCTIONS): BK	
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e): o	
6	CITIZENSHIP OR PLACE OF ORGANIZATION: Delaware	

NUMBER OF	7	SOLE VOTING POWER: 196,330 [1]
SHARES BENEFICIALLY OWNED BY	8	SHARED VOTING POWER: 0

EACH REPORTING PERSON	**9**	SOLE DISPOSITIVE POWER: 196,330 [1]
WITH	**10**	SHARED DISPOSITIVE POWER: 0

11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON: 196,330 [1]
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS): o
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11): 27.1% [2]
14	TYPE OF REPORTING PERSON (SEE INSTRUCTIONS): OO

1 Includes 146,842 shares of Common Stock of AMCON Distributing Company that would be issued upon conversion of 80,000 shares of Series C Convertible Stock, held by its subsidiary, at a price of $13.62 per share and 49,488 shares of Common Stock of AMCON Distributing Company that would be issued upon conversion of 60,000 shares of Series A Convertible Stock at a price of $30.31 per share.

2 The percentage reported in row (13) is calculated based upon 723,392 shares of Common Stock of AMCON Distributing Company issued and outstanding, including 527,062 shares of Common Stock of AMCON Distributing Company issued and outstanding as of January 17, 2005 and the 196,330 shares of Common Stock issuable upon conversion of the Reporting Person s Series A and Series C Convertible Preferred Stock.

1	NAMES OF REPORTING PERSONS: The Lifeboat Foundation I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS): (a) o (b) þ		
3	SEC USE ONLY:		
4	SOURCE OF FUNDS (SEE INSTRUCTIONS): N/A		
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e): o		
6	CITIZENSHIP OR PLACE OF ORGANIZATION: Illinois		
NUMBER OF	**7**	SOLE VOTING POWER: 37,849	
SHARES BENEFICIALLY OWNED BY	**8**	SHARED VOTING POWER: 0	

EACH REPORTING PERSON	**9**	SOLE DISPOSITIVE POWER: 37,849
WITH	**10**	SHARED DISPOSITIVE POWER: 0

11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON: 37,849
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS): o
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11): 7.2% [1]
14	TYPE OF REPORTING PERSON (SEE INSTRUCTIONS): CO

[1] The percentage reported in row (13) is calculated based upon 527,062 shares of Common Stock of AMCON Distributing Company issued and outstanding as of January 17, 2005.

CUSIP No. 02341Q106 Page 5 of 14

1	NAMES OF REPORTING PERSONS: Allen D. Petersen I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS): (a) o (b) þ	
3	SEC USE ONLY:	
4	SOURCE OF FUNDS (SEE INSTRUCTIONS): N/A	
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e): o	
6	CITIZENSHIP OR PLACE OF ORGANIZATION: USA	

NUMBER OF	7	SOLE VOTING POWER: 201,687 [1]
SHARES BENEFICIALLY OWNED BY	8	SHARED VOTING POWER: 0

EACH REPORTING PERSON	**9**	SOLE DISPOSITIVE POWER: 201,687 [1]
WITH	**10**	SHARED DISPOSITIVE POWER: 0

11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON: 201,687 [1]
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS): o
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11): 27.8% [2]
14	TYPE OF REPORTING PERSON (SEE INSTRUCTIONS): IN

1 Includes 146,842 shares of Common Stock of AMCON Distributing Company that would be issued upon conversion of 80,000 shares of Series C Convertible Stock, held by Draupnir Capital, LLC (controlled by the Reporting Person), at a price of $13.62 per share and 49,488 shares of Common Stock of AMCON Distributing Company that would be issued upon conversion of 60,000 shares of Series A Convertible Stock, held by Draupnir, LLC (controlled by the Reporting Person), at a price of $30.31 per share, for which the Reporting Person has sole dispositive and voting power, 3,117 shares of Common Stock for full exercise of all options held by the Reporting Person and 2,240 shares of Common Stock held by the 2003 Allen D. Petersen Irrevocable Trust, over which Mr. Petersen has sole voting power as sole trustee.

2 The percentage reported in row (13) is calculated based upon 726,509 shares of Common Stock of AMCON Distributing Company issued and outstanding, including 527,062 shares of Common Stock of AMCON Distributing Company issued and outstanding as of January 17, 2005, 196,330 shares of Common Stock issuable upon conversion of Series A and Series C Convertible Preferred Stock deemed to be beneficially owned by the Reporting Person and 3,117 shares of Common Stock issuable on full exercise of all options held by the Reporting Person.

1	NAMES OF REPORTING PERSONS: 2003 Allen D. Petersen Irrevocable Trust I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS): (a) o (b) þ	
3	SEC USE ONLY:	
4	SOURCE OF FUNDS (SEE INSTRUCTIONS): N/A	
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e): o	
6	CITIZENSHIP OR PLACE OF ORGANIZATION: USA	

NUMBER OF	7	SOLE VOTING POWER: 2,240
SHARES BENEFICIALLY OWNED BY	8	SHARED VOTING POWER: 0

EACH REPORTING PERSON	**9**	SOLE DISPOSITIVE POWER: 2,240
WITH	**10**	SHARED DISPOSITIVE POWER: 0

11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON: 2,240
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS): o
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11): 0.4% [1]
14	TYPE OF REPORTING PERSON (SEE INSTRUCTIONS): OO

[1] The percentage reported in row (13) is calculated based upon 527,062 shares of Common Stock of AMCON Distributing Company issued and outstanding as of January 17, 2005.

Item 1. Security and Issuer.

This statement on Schedule 13D (this Statement) relates to shares of common stock that would be received upon conversion of Series C Convertible Preferred Stock, par value $0.01 per share, of AMCON Distributing Company, a Delaware corporation (AMCON[1]). The Preferred Stock is convertible into shares of the AMCON common stock, par value $0.01 per share (the Common Stock) at a conversion price of $13.62 per share, subject to customary anti-dilution adjustments. AMCON s principal offices are located at 7405 Irvington Road, Omaha, NE 68122.

Item 2. Identity and Background.

This Statement is being filed on behalf of Draupnir, LLC, a Delaware limited liability company (Draupnir), Draupnir Capital, LLC, a Delaware limited liability company and wholly owned subsidiary of Draupnir (DCL), The Lifeboat Foundation, an Illinois not-for-profit corporation (Lifeboat) and Allen D. Petersen (Mr. Petersen) (each a Reporting Person and collectively, the Reporting Persons). The principal occupation for Mr. Petersen is that of Chairman, member and manager of Draupnir. The business address and the address where the principal occupation of Mr. Petersen is conducted is 515 North State Street, Suite 2650, Chicago, IL 60610. Mr. Petersen is a citizen of the United States of America.

The (i) name, (ii) business address, (iii) present principal occupation or employment, (iv) name, principal business and address of any corporation or other organization in which such employment is conducted, and (v) citizenship of each director and executive officer of Draupnir, DCL and Lifeboat are set forth on Schedule I hereto and incorporated herein by reference.

During the last five years, none of the Reporting Persons or the persons listed on Schedule I has either: (i) been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Item 3. Source and Amount of Funds or Other Consideration.

The Reporting Persons are filing this Statement because DCL acquired 80,000 shares of Series C Convertible Preferred Stock on March 7, 2006, at a price of $25.00 per share, pursuant to a Stock Purchase Agreement, dated as of March 3, 2006, by and between DCL and AMCON (the Agreement). These shares are convertible into 146,842 shares of Common Stock. The purchase price was funded by borrowings under Draupnir s existing credit line with JPMorgan Chase Bank N.A., pursuant to the GRID Demand Promissory Note, dated June 13, 2005, by and between JP Morgan Chase Bank, N.A. and Draupnir, LLC.

[1] Prior to this Statement, each Reporting Person, other than Draupnir Capital, LLC, previously filed a Schedule 13G relating to other shares of AMCON Common Stock acquired or deemed to be acquired by such Reporting Person. This Statement is required due to the change of Reporting Persons from passive investors, as more fully described in Item 4, and the increase in deemed beneficial interests above the 20% threshold.

Item 4. Purpose of Transaction.

The Reporting Persons have acquired and continue to hold the shares reported herein for investment purposes. Depending on market conditions and other factors that the Reporting Persons may deem material to their respective investment decisions, the Reporting Persons may purchase additional shares in the open market or in private transactions. Depending on these same factors, the Reporting Persons may sell all or a portion of the shares on the open market or in private transactions.

Mr. Petersen is currently a member of the Board of Directors of AMCON. As more fully described in the Agreement: (i) Jeremy W. Hobbs (Mr. Hobbs), Chief Executive Officer, member and manager of Draupnir, will become a member of the Board of Directors of AMCON on March 21, 2006; (ii) Christopher H. Atayan (Mr. Atayan), an executive consultant to Draupnir and member of the Board of Directors of AMCON, has been appointed as Vice Chairman of AMCON; (iii) AMCON has created an Office of the Chairman to which AMCON s senior management will report; (iv) the Office of the Chairman is comprised of the Chairman, the Vice Chairman (Mr. Atayan) and the Chief Financial Officer; (v) DCL has the authority to designate the Chief Financial Officer; (vi) the Office of the Chairman will be located at the offices of Draupnir in Chicago, Illinois; (vii) DCL will provide management services to Hawaiian Natural Water Co., Inc., a subsidiary of AMCON, on terms and conditions to be agreed upon at a later time, and (viii) AMCON will establish a holding company structure whereby AMCON will be operated as a holding company overseeing its operating subsidiaries. In connection with the foregoing, the Reporting Persons will have a certain degree of control over the management and policies of AMCON and may, from time to time, initiate, consider and vote upon plans or proposals relating to those events described below in clauses (a) (j) of this Item 4. Notwithstanding the terms of the Agreement, nothing in the Agreement will give any Reporting Person the ability to limit the discretion of the Board of Directors of AMCON to elect or remove officers (or their successors), to amend the By-laws of AMCON or to otherwise manage the business and affairs of AMCON.

The Reporting Persons reserve the right to purchase additional shares of the Common Stock or dispose of shares from time to time as conditions appear advantageous for doing so. In addition, Messrs. Petersen, Atayan and Hobbs may also may acquire options or purchase shares of the Common Stock in their capacities as directors and/or officers of AMCON.

Except as set forth above, none of the Reporting Persons currently has any plans or proposals that relate to or would result in:

(a) The acquisition by any person of additional securities of AMCON, or the disposition of securities of AMCON;

(b) An extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving AMCON or any of its subsidiaries;

(c) A sale or transfer of a material amount of assets of AMCON or any of its subsidiaries;

(d) Any change in the present board of directors or management of AMCON, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the board;

(e) Any material change in the present capitalization or dividend policy of AMCON;

(f) Any other material change in AMCON s business or corporate structure;

(g) Changes in AMCON s charter, bylaws or instruments corresponding thereto or other actions which may impede the acquisition of control of AMCON by any person;

(h) Causing a class of securities of AMCON to be delisted from a national securities exchange or to cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association;

(i) A class of equity securities of AMCON becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Act; or

(j) Any action similar to any of those enumerated above.

Item 5. Interest in Securities of the Issuer.

(a) DCL is deemed the beneficial owner of 146,842 shares of Common Stock, or 21.8% of the Common Stock (assuming 527,062 shares of Common Stock outstanding as of January 17, 2005 and full conversion of all DCL Series C Convertible Stock), as a result of its ownership of 80,000 shares of Series C Convertible Stock, which are convertible into shares of Common Stock at a price of $13.62 per share at the option of the holder.

Draupnir is deemed the beneficial owner of 196,330 shares of Common Stock, or 27.1% of the Common Stock (assuming 527,062 shares of Common Stock outstanding as of January 17, 2005 and full conversion of all DCL Series C Convertible Stock and Draupnir Series A Convertible Stock), 146,842 of which result from being the sole member of DCL and 49,488 of which result from its separate ownership of 60,000 shares of Series A Convertible Preferred Stock, which are convertible into shares of Common Stock at a price of $30.31 per share at the option of the holder.

Lifeboat is the beneficial owner of 37,849 shares of Common Stock, or 7.2% of the Common Stock (assuming 527,062 shares of Common Stock outstanding as of January 17, 2005).

Mr. Petersen, a member of the Board of Directors of AMCON and a member and managing director of Draupnir, is deemed the beneficial owner of 201,687 shares of Common Stock, or 27.8% of the Common Stock (assuming 527,062 shares of Common Stock outstanding as of January 17, 2005, full conversion of all DCL Series C Convertible Stock and Draupnir Series A Convertible Stock and exercise of all options deemed held by Mr. Petersen and full exercise of options held by Mr. Petersen for the purchase of 3,118 shares of Common Stock), 146,842 of which are held by DCL, 49,488 of which are held by Draupnir[1], options to purchase 3,118 shares of Common Stock at an average exercise price of $25.83 per share which may be exercised currently, and 2,240 of which are held by the 2003 Allen D. Petersen Irrevocable Trust, for which Mr. Petersen is the sole trustee.

The 2003 Allen D. Petersen Irrevocable Trust is the beneficial owner of 2,240 shares of Common Stock, or 0.4% of the Common Stock (assuming 527,062 shares of Common Stock outstanding as of January 17, 2005).

Mr. Hobbs, who will become a member of the Board of Directors of AMCON on March 21, 2006 and the Chief Executive Officer, member and managing director of Draupnir, is the beneficial owner of 128 shares of Common Stock, or <0.1% of the Common Stock (assuming 527,062 shares of Common Stock outstanding as of January 17, 2005).

Timothy R. Pestotnik (Mr. Pestotnik), a member of the Board of Directors of AMCON and a member of the Board of Directors of Lifeboat, is the beneficial owner of 2,200 shares of Common Stock, or 0.4% of the Common Stock (assuming 527,062 shares of Common Stock outstanding as of January 17, 2005 and full exercise of options held by Mr. Pestotnik for the purchase of 1,284 shares of Common Stock), which includes options to purchase 1,284 shares of common stock at an average exercise price of $40.33 per share which may be exercised currently.[2]

Mr. Atayan, a member of the Board of Directors of AMCON and an executive consultant to Draupnir, is the beneficial owner of 8,168 shares of Common Stock, or 1.5% of the Common Stock (assuming 527,062 shares of Common Stock outstanding as of January 17, 2005 and full conversion of convertible preferred stock held by Mr. Atayan for 8,114 shares of Common Stock), which includes shares of convertible preferred stock which can be converted at any time into 8,114 shares of Common Stock at the option of the holder.[3]

To the knowledge of the Reporting Persons, except as set forth above, no other person listed on Schedule I is a beneficial owner of any other shares of Common Stock.

(b) DCL is deemed to have sole voting and dispositive power over 146,842 shares of Common Stock, as a result of its ownership of 80,000 shares of Series C Convertible Stock, which are convertible into shares of Common Stock at a price of $13.62 per share at the holder s option. DCL does not have shared voting or dispositive power over any other shares of Common Stock.

Draupnir is deemed to have sole voting and dispositive power over 196,330 shares of Common Stock, 146,842 of which result from being the sole member of DCL and 49,488 of which result from its separate ownership of 60,000 shares of Series A Convertible Preferred Stock, which are convertible into shares of Common Stock at a price of $30.31 per share at the holder s option. Draupnir does not have shared voting or dispositive power over any other shares of Common Stock.

Lifeboat has sole voting and dispositive power over 37,849 shares of Common Stock. Lifeboat does not have shared voting or dispositive power over any other shares of Common Stock. Lifeboat s Board of Directors is currently composed of Mr. Petersen, Mr. Hobbs and Mr. Pestotnik.

Mr. Petersen is deemed to have sole voting and dispositive power over 201,687 shares of Common Stock, 146,842 of which are held by DCL, 49,488 of which are held by Draupnir and 2,240 of which are held by the 2003 Allen D. Petersen Irrevocable Trust. Mr. Petersen does not have shared voting or dispositive power over any other shares of

2 Information obtained from Amendment No. 1 to Definitive Proxy Statement of AMCON, as filed with the SEC on February 4, 2005.

3 Information obtained from Amendment No. 1 to Definitive Proxy Statement of AMCON, as filed with the SEC on February 4, 2005.

Common Stock.[4] Mr. Petersen is also a member of the Board of Directors of Lifeboat, but does not individually possess voting or dispositive power over any shares held by Lifeboat.

The 2003 Allen D. Petersen Irrevocable Trust has sole voting and dispositive power over 2,240 shares of Common Stock. The 2003 Allen D. Petersen Irrevocable Trust does not have shared voting or dispositive power over any other shares of Common Stock.

Mr. Hobbs is deemed have sole voting and dispositive power over 128 shares of Common Stock. Mr. Hobbs does not have shared voting or dispositive power over any other shares of Common Stock. Mr. Hobbs is also a member of the Board of Directors of Lifeboat, but does not individually possess voting or dispositive power over any shares held by Lifeboat.

Mr. Pestotnik is deemed to have sole voting and dispositive power over 2,200 shares of Common Stock. Mr. Pestotnik does not have shared voting or dispositive power over any other shares of Common Stock. Mr. Pestotnik is also a member of the Board of Directors of Lifeboat, but does not individually possess voting or dispositive power over any shares held by Lifeboat.

Mr. Atayan is deemed to have sole voting and dispositive power over 8,168 shares of Common Stock. Mr. Atayan does not have shared voting or dispositive power over any other shares of Common Stock.

To the knowledge of the Reporting Persons, except as set forth above, no other person listed on Schedule I has sole or shared voting or dispositive power with respect to any other shares of Common Stock.

(c) Except for the transaction effected by the Agreement and described in Item 3 above, there have been no other transactions in the securities of AMCON effected by any Reporting Person in the last 60 days.

(d) No person, other than the Reporting Persons, has the right to receive, or the power to direct the receipt of, dividends from and proceeds from the sale of such shares.

(e) Inapplicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

Pursuant to the transactions effected by the Agreement, DCL is entitled to nominate one director for so long as it (together with its affiliates) holds 5% or more of the outstanding shares of the Common Stock, assuming conversion of all shares of preferred stock. Mr. Hobbs has been designated as such director nominee. Additionally, pursuant to the Agreement, the Company is obligated to continue to nominate Messrs. Petersen and Atayan to the Board of Directors. As the holder of the majority voting interest in Draupnir, Mr. Petersen has the sole power to vote and/or dispose of all shares held by Draupnir or DCL. In addition, as the sole trustee of the 2003

[4] As the controlling member of Draupnir, Mr. Petersen has the sole power to vote and direct the disposition of all 196,330 shares of Common Stock deemed held by Draupnir and DCL upon conversion.

Irrevocable Allen D. Petersen Trust, Mr. Petersen has the sole power to vote and/or dispose of all shares held by the trust.

Except for the agreements described above, there are no contracts, arrangements, understandings or relationships (legal or otherwise) between any Reporting Person and any other person with respect to any securities of AMCON, including, but not limited to, transfer or voting of any of the securities, finder s fees, joint ventures, loan or option agreements, puts or calls, guarantees of profits, divisions of profits or loss, or the giving or withholding of proxies.

Item 7. Material to be filed as Exhibits.

Exhibit 1	Securities Purchase Agreement, dated as of March 3, 2006, by and between AMCON Distributing Company and Draupnir Capital, LLC
Exhibit 2	GRID Demand Promissory Note, dated June 13, 2005, by and between JPMorgan Chase Bank, N.A. and Draupnir, LLC
Exhibit 3	Letter from JPMorgan Chase Bank, N.A., to Draupnir, LLC, dated June 13, 2005
Exhibit 4	Securities Purchase Agreement dated June 17, 2004 between AMCON Distributing Company, William F. Wright and Draupnir, LLC*

* Incorporated by reference from Exhibit 4.3 to the Form 10-Q filed by AMCON Distributing Company with the Securities and Exchange Commission on Aug. 9, 2004.

SIGNATURES

After reasonable inquiry and to the best of each of the undersigned s knowledge and belief, the undersigned certifies that the information set forth in this Statement is true, complete and correct.

Date: March 10, 2006

DRAUPNIR CAPITAL, LLC

By: /s/ Jeremy W. Hobbs
Jeremy W. Hobbs
Chief Executive Officer

DRAUPNIR, LLC

By: /s/ Jeremy W. Hobbs
Jeremy W. Hobbs
Chief Executive Officer

THE LIFEBOAT FOUNDATION

By: /s/ Allen D. Petersen
Allen D. Petersen
Director

ALLEN D. PETERSEN

/s/ Allen D. Petersen

THE 2003 ALLEN D. PETERSEN
IRREVOCABLE TRUST

By: /s/ Allen D. Petersen
Allen D. Petersen
Trustee

SCHEDULE I

Executive Officers and Directors of Draupnir Capital, LLC:

Name	Business Address & Address of Principal Place of Employment	Principal Occupation	Citizenship
Allen D. Petersen	Draupnir, LLC 515 North State Street, Suite 2650 Chicago, IL 60610	Chairman	USA
Jeremy W. Hobbs	Draupnir, LLC 515 North State Street, Suite 2650 Chicago, IL 60610	Chief Executive Officer	USA

Executive Officers and Directors of Draupnir, LLC:

Name	Business Address & Address of Principal Place of Employment	Principal Occupation	Citizenship
Allen D. Petersen	Draupnir, LLC 515 North State Street, Suite 2650 Chicago, IL 60610	Chairman	USA
Jeremy W. Hobbs	Draupnir, LLC 515 North State Street, Suite 2650 Chicago, IL 60610	Chief Executive Officer	USA
Christopher H. Atayan	Draupnir, LLC 515 North State Street, Suite 2650 Chicago, IL 60610	Executive Consultant -Finance, Strategy & Investments	USA

Executive Officers and Directors of The Lifeboat Foundation:

Name	Business Address & Address of Principal Place of Employment	Principal Occupation	Citizenship
Allen D. Petersen	Draupnir, LLC 515 North State Street, Suite 2650 Chicago, IL 60610	Chairman	USA
Jeremy W. Hobbs	Draupnir, LLC 515 North State Street, Suite 2650 Chicago, IL 60610	Chief Executive Officer	USA
Timothy R. Pestotnik	Luce, Forward, Hamilton & Scripps LLP 600 West Broadway, Suite 2600 San Diego, CA 92101-3372	Attorney	USA
Grant Hiroshima	The Lifeboat Foundation 515 North State Street, Suite 2650 Chicago, IL 60610	Executive Director	USA

left"> **(644) 1,344 421 1,638 (223) 2,982**

Result before tax	(760)	1,477	285	2,091	(476)	3,568
Gains/losses on divestments[2]	226	(225)	0	0	226	(225)
Result divested units	4	(88)	0	0	4	(88)
Special items[3],[4]	416	72	483	199	899	271
Underlying result before tax	**(114)**	**1,236**	**768**	**2,290**	**654**	**3,526**

(1) Excluding intercompany eliminations.

(2) Divestments Insurance: sale Canada (EUR 46 million, 2009), sale Industry Pension Funds (EUR 160 million, 2009), sale Chile (EUR 12 million, 2009), sale Argentina (EUR 8 million, 2009), sale NRG (EUR 15 million, 2008), sale Chile Health business (EUR (62) million, 2008), sale Mexico Insurance (EUR (182) million, 2008).

(3) Special items Banking: restructuring provision, as part of the initiative to reduce operating expenses ING Group by EUR 1 billion for the year 2009, (EUR 352 million, 2009), Illiquid Assets Back-Up Facility (EUR (69) million, 2009) provision for Retail Netherlands Strategy (EUR 160 million, 2009, EUR 199 million, 2008), not launching ING Direct Japan (EUR 39 million, 2009).

(4) Special items Insurance: restructuring provision (EUR 245 million, 2009), Illiquid Assets Back-Up Facility (EUR 118 million, 2009), One Insurance NL (EUR 53 million, 2009), restructuring costs (mainly CitiStreet EUR 73 million, 2008) .

Table of Contents

Three months ended September 30, 2009 compared to three months ended September 30, 2008

The following table sets forth the consolidated results of operations of ING Group and its insurance and banking operations for the three-month periods ended September 30, 2009 and 2008:

	Insurance[1] Three months ended September 30,		**Banking[1] Three months ended September 30,**		**Eliminations Three months ended September 30,**		**Total Three months ended September 30,**	
	2009	**2008**	**2009**	2008	**2009**	**2008**	**2009**	**2008**
	unaudited (EUR millions)							
Premium income	7,632	10,380					7,632	10,380
Interest result banking operations			3,165	2,643	66	33	3,099	2,610
Commission income	498	557	717	704			1,215	1,261
Investment and other income	892	2,159	(714)	(722)	16	49	161	1,388
Total income	**9,022**	**13,096**	**3,168**	**2,625**	**82**	**82**	**12,108**	**15,639**
Underwriting expenditure	7,352	11,831					7,352	11,831
Other interest expenses	245	309			82	82	163	227
Operating expenses	1,037	1,362	2,327	2,504			3,364	3,866
Impairments/additions to the provision for loan losses	18	31	665	373			683	404
Total expenditure	**8,652**	**13,533**	**2,992**	**2,877**	**82**	**82**	**11,562**	**16,328**
Result before tax	**370**	**(437)**	**176**	**(252)**			**545**	**(689)**
Taxation	51	(92)	4	(127)			55	(219)
Result before minority interests	**319**	**(346)**	**172**	**(124)**			490	(470)
Minority interests	8	4	(16)	4			(9)	8
Net result	**311**	**(350)**	**188**	**(128)**			499	(478)
Result before tax	370	(437)	176	(252)			545	(689)
Gains/losses on divestments[2]	173	(178)					173	(178)
Result divested units	4	47					4	47
Special items[3],[4]	40	73	98	36			138	109

Underlying result before tax	**587**	**(496)**	**274**	**(216)**	861	(712)

(1) Excluding intercompany eliminations.

(2) Divestments Insurance, sale Industry Pension Funds (EUR 160 million, 2009), sale Chile (EUR 12 million, 2009), sale Mexico Insurance (EUR (182) million, 2008).

(3) Special items Banking: restructuring provision, as part of the initiative to reduce operating expenses ING Group by EUR 1 billion for the year 2009, (EUR 36 million, 2009), provision for Retail Netherlands Strategy (EUR 62 million, 2009, EUR 35 million, 2008).

(4) Special items Insurance: restructuring provision (EUR (12) million, 2009), One

Insurance NL (EUR 53 million, 2009), restructuring costs (mainly CitiStreet EUR 73 million, 2008)

GROUP OVERVIEW

The Group s net result rose EUR 977 million to EUR 499 million for the three months ended September 30, 2009 from a loss of EUR 478 million in the three months ended September 30, 2008, reflecting gradually improved market conditions as financial markets continued to stabilize and the successful implementation of cost-containment initiatives. An improvement in equity markets led to realized gains that helped to temper losses from other equity-related impacts. Global real estate markets remained depressed, however, leading to fair value losses on that asset class, and the weak US housing market and rising delinquencies again resulted in impairments on mortgage-backed securities.

Table of Contents

The net result of the banking operations increased to EUR 188 million for the three months ended September 30, 2009 compared to a loss of EUR 128 million in the same period of 2008 and a loss of EUR 118 million in the second quarter of 2009. The Bank s performance in the three months ended September 30, 2009 was driven by higher interest margins, an improvement in other income, and lower expenses due to cost-containment initiatives and one-time events. The interest margin for the three months ended September 30, 2009 rose 40 basis points from the same period in 2008 to 1.40%, supported by the reduction of the balance sheet. Market-related impacts on the banking operations were EUR (1,121) million and consisted primarily of impairments on debt securities of EUR (664) million, mainly related to the retained portion of ING Direct s Alt-A RMBS portfolio, and real estate revaluations and impairments of EUR (423) million. Risk costs improved for the three months ended September 30, 2009 compared with the previous quarter, but remained elevated, reflecting the persistently challenging credit environment. Risk costs for the three months ended September 30, 2009 totaled EUR 665 million (inclusive of EUR 34 million for loan modification in ING Direct s US mortgage book), or an annualized 92 points of CRWA (or 87 points, if calculated exclusive of loan modifications in ING Direct s US mortgage book), compared to 118 basis points in the second quarter. ING expects risk costs in the coming quarters to be around the levesl of the first three months of 2009.

The net result of the insurance operations increased to EUR 311 million for the three months ended September 30, compared to a loss of EUR 350 million in the same period of the previous year and EUR 189 million in the second quarter of 2009. These results reflect the continuing impact of lower sales and margin pressure, which resulted in part from efforts to de-risk portfolios, and expenses that were on par with the previous quarter. On balance, market-related impacts had a positive contribution of EUR 240 million at Insurance in the three months ended September 30, 2009. Favorable market-related impacts included realized gains on equity and debt securities of EUR 235 million (net of impairments), DAC unlocking of EUR 104 million, private equity revaluations of EUR 82 million and other positive impacts totaling EUR 286 million. These items more than offset the negative impacts of EUR (366) million of hedge results and EUR (101) million of real estate revaluations.

The Group s result before tax was EUR 545 million for the three months ended September 30, 2009. Taxation for the three months ended September 30, 2009 was EUR 55 million and minority interests totaled EUR (9) million. The Group s quarterly net result for the three months ended September 30, 2009 was EUR 499 million.

The net result per share was EUR 0.25. Total shares outstanding in the market were 2,063 million at the end of September 2009, compared with 2,063 million at the end of June. The average number of shares used to calculate earnings per share over the three months ended September 30, 2009 is 2,025 million.

INSURANCE OPERATIONS

Income

Total premium income fell 26.5% for the three months ended September 30, 2009 compared to the same period of 2008, mainly due to lower sales, most notably in the US and Asia/Pacific, where we acted to reduce our variable annuity sales. In Europe, premiums increased 16.2% excluding the currency impact, with EUR 436 million related to a change in the recognition of premiums in the Netherlands.

Commission income for the three months ended September 30, 2009 decreased 8.5% on a constant currency basis, particularly in the Americas and Asia/Pacific, due to lower average assets under management.

Investment and other income dropped 58.7% for the three months ended September 30, 2009 compared to the same period in 2008, mainly as a result of negative fair value changes on derivatives that hedge equity exposures and guaranteed benefits in the US and Japan s variable annuity businesses. This decrease was largely offset by lower provisioning on variable annuities in the US and Japan, and lower DAC amortisation in the US, which is reflected in underwriting expenditure.

New sales (APE) declined 19.9% following lower sales in the US, Central Europe and Asia/Pacific. This was mainly caused by lower demand for investment-oriented products. In the Benelux, sales rose 66.1%, largely due to the change in the recognition of life premiums in the Netherlands.

Expenses

Operating expenses fell 23.9% in the three months ended September 30, 2009 compared to the three months ended September 30, 2008 as a result of cost containment measures implemented across all of the business lines and lower sales-related expenses due to lower production. Compared with the second quarter of 2009, operating expenses in the third quarter of 2009 were flat.

Result before tax and net result

The result before tax from the Group s insurance activities for the three months ended September 30, 2009 increased by EUR 807 million, or 184.7%, to EUR 370 million, from a loss of EUR 437 million in the same period of 2008. Net result for the Group s insurance operations for the three months ended September 30, 2009 increased by EUR 661 million, or 188.9%, to EUR 311 million, from a loss of EUR 350 million in the same period of 2008.

Underlying result before tax

Insurance recorded an underlying result before tax of EUR 587 million for the three months ended September 30, 2009 compared to a loss of EUR 496 million in the same period of 2008, principally due to the positive market impact of EUR 240 million for the three months ended September 30, 2009 and the negative market impacts of EUR 942 million in the same period in 2008. The positive market related items consisted of EUR 235 million of realized gains on equity and debt securities net of impairments, EUR 104 million of positive DAC unlocking, EUR 82 million of private equity revaluations, and other positive impacts totaling EUR 286 million. These factors were partially offset by the negative impact of EUR (366) million of hedge results and EUR (101) million of negative real estate revaluations.

BANKING OPERATIONS

Income

Total income for the three months ended September 30, 2009 rose to EUR 3,168 million, or 20.7%, compared with the three months ended September 30, 2008, driven by higher interest income. Compared with the second quarter of 2009, income in the third quarter of 2009 was up 6.3%. Third quarter 2009 interest income increased by 19.8% to EUR 3,165 million, primarily due to improvement of the interest margin and more favorable yield curves in Commercial Banking and ING Direct. Total interest margin increased to 1.40% for the three months ended September 30, 2009, up 40 basis points compared with the third quarter of 2008, supported by balance sheet de-leveraging. Compared with the second quarter of 2009, total interest income for the three months ended September 30, 2009 decreased by 0.6%, while the interest margin was up 9 basis points due to further reduction of the balance sheet.

Commission income increased by 1.8% to EUR 717 million in the three months ended September 30, 2009 compared to the third quarter of 2008, as a decline in Retail Banking was more than offset by higher fees in Commercial Banking and ING Direct. Compared with the second quarter of 2009, commission income in the three months ended September 30, 2009 rose 8.0% due to higher fees on asset management activities and brokerage and advisory services.

In the three months ended September 30, 2009, investment income declined from EUR (517) million in the third quarter of 2008 to EUR (674) million, including EUR (673) million of impairments (compared to EUR (545) million in the third quarter of 2008), primarily on ING Direct s retained Alt-A portfolio, and EUR (133) million of negative fair value changes on direct real estate investments.

Other income improved from EUR (205) million for the three months ended September 30, 2008 to EUR (40) million for the three months ended September 30, 2009, due mainly to increased net trading income, which more than offset negative valuation results on non-trading derivatives and higher losses from associates (mainly at ING Real Estate). For the three months ended September 30, 2009, other income included a EUR (75) million negative impact of fair value changes on the Bank s own Tier 2 debt as well as EUR (61) million of impairments on assets held for sale by ING Real Estate.

Expenses

Operating expenses fell 7.1%, or EUR 177 million for the three months ended September 30, 2009, compared to the three months ended September 30, 2008 despite impairments on real estate development projects in Commercial Banking and higher deposit insurance premiums at ING Direct. These impacts were more than offset by cost-containment initiatives, the one-time settlement of a vendor contract and the release of an employee benefits provision in Belgium. Compared with the second quarter of 2009, expenses were 5.4% lower. As of September 30, 2009, headcount had been reduced by 4,105 FTEs as part of the Back to Basics program, exceeding the expected reduction of 2,800 positions for 2009.

Impairments/Additions to the provision for loan losses

ING Bank added EUR 665 million to the loan loss provisions for the three months ended September 30, 2009 compared with EUR 852 million in the second quarter of 2009 and EUR 373 million for the three months ended September 30, 2008. For the three months ended September 30, 2009, gross additions to the loan loss provisions were EUR 849 million, while releases increased to EUR 184 million.

Result before tax and net result

The result before tax for the three months ended September 30, 2009 increased by EUR 428 million to a result of EUR 176 million, from a loss of EUR 252 million for the three months ended September 30, 2008. Net result increased by EUR 316 million to a profit of EUR 188 million for the three months ended September 30, 2009 from a loss of EUR 128 million for the three months ended September 30, 2009.

Underlying result before tax

Banking s underlying result before tax was EUR 274 million compared to a loss of EUR 216 million in the same quarter last year. The improvement was driven by higher interest results and the positive impact of cost-containment initiatives, partly offset by higher additions to the loan loss provisions. The underlying result before market-related impacts and risk costs rose to more than EUR 2.0 billion for the three months ended September 30, 2009, compared with EUR 1.2 million in the same period last year and EUR 1.8 billion in the second quarter of 2009.

Consolidated Assets and Liabilities

The following table sets forth ING Group s consolidated assets and liabilities as of September 30, 2009 and as of June 30, 2009:

	As of September 30, 2009	**As of June 30, 2009**
(EUR billions, except amounts per share)	*unaudited*	
Investments	208.2	207.5
Financial assets at fair value through the profit and loss account	243.1	238.8
Loans and advances to customers	577.9	589.4
Other assets	158.7	152.2

Table of Contents

(EUR billions, except amounts per share)	As of September 30, 2009	As of June 30, 2009
	unaudited	
Total assets	**1,187.9**	**1,187.9**
Insurance and investment contracts:		
Life	221.9	214.6
Non-life	3.7	3.9
Investment contracts	11.2	19.5
Total insurance and investment contracts	**236.8**	**238.0**
Customer deposits and other funds on deposit(1)	459.2	461.8
Debt securities in issue/other borrowed funds	142.6	149.3
Total liabilities (including minority interests)	**1,151.4**	**1,155.6**
Non-voting equity securities	10.0	10.0
Shareholders equity	26.5	22.3
Shareholders equity per ordinary share (in EUR)	13.07	10.99

(1) Customer deposits and other funds on deposit consist of savings accounts, other deposits, bank funds and debt securities privately issued by the banking operations of ING.

As of September 30, 2009 compared to June 30, 2009

ING Group s balance sheet remained stable compared with the second quarter of 2009, with total assets of EUR 1,188 billion. An increase in assets on ING Verzekeringen N.V. s balance sheet of EUR 11 billion offset a decline in assets on ING Bank N.V. s balance of EUR 12 billion.

Shareholders equity increased by EUR 4.2 billion, or 19%, to EUR 26.5 billion as of September 30, 2009. This was mainly due to an increase of EUR 5.9 billion in the unrealized revaluations of debt and equity securities, partly offset by a decrease of EUR 1.8 billion in the revaluation reserve crediting to life policyholders.

The revaluation reserve of debt securities improved by EUR 5.2 billion to EUR 2.8 billion as of September 30, 2009, and the revaluation reserve of equity securities rose by EUR 0.7 billion to EUR 3.2 billion as of September 30, 2009.

ING Bank s loan-to-deposit ratio, excluding securities reclassified from AFS to loans and receivables, was 1.10 at September 30, versus 1.11 at June 30, 2009.

Compared with September 30, 2008, ING Bank s balance sheet has been reduced to EUR 900 billion in total assets, a reduction of EUR 176 billion, or 16.3%, including the third-quarter 2009 reduction.

Segment Reporting

ING Group s segments are based on the management structure of the Group, which is different from its legal structure. The following table sets forth the contribution of our six business lines to our underlying result before tax for the three months ended September 30, 2009.

Table of Contents

Three months ended September 30, 2009
unaudited

(EUR millions)	Insurance Europe	Insurance Americas	Insurance Asia/Pacific	Commercial Banking	Retail Banking	ING Direct	Other[(1)]	Total Group
Total income	**3,264**	**3,934**	**2,121**	**1,213**	**1,822**	**282**	**(528)**	**12,108**
Total expenditure	3,106	3,643	1,898	964	1,350	642	(41)	11,562
Result before tax	158	**291**	**223**	**249**	**472**	**(360)**	**(487)**	**545**
Gains/losses on divestments	160	16						176
Special items	40			18	76	2	3	139
Underlying result before tax	**358**	**307**	**223**	**267**	**548**	**(358)**	**(484)**	**861**

(1) Other mainly includes items not directly attributable to the business lines and intercompany relations. See Note Primary Reporting Format-Business Segment under Note 49 of Note 2.1.6. to the 2008 Financial Statements for further disclosure of ING s segment reporting.

The business lines are analyzed on a total basis for Income, Expenses and Result before tax, the geographical analyses are based on underlying figures.

INSURANCE EUROPE

	Three months ended September 30, 2009 unaudited	2008 unaudited
	(EUR millions)	
Premium income	2,428	2,089
Commission income	117	119

Investment and Other income	719	857
Total income	**3,264**	**3,065**
Underwriting expenditure	2,664	2,401
Other interest expenses	57	148
Operating expenses	385	417
Other impairments		(3)
Total expenditure	**3,106**	**2,963**
Result before tax	**158**	**101**
Gains/losses on divestments	160	
Special items	40	
Underlying result before tax	**358**	**101**

Three months ended September 30, 2009 compared to three months ended September 30, 2008
Income
Total income of Insurance Europe for the three months ended September 30, 2009 increased by EUR 199 million, or 6.5%, to EUR 3,264 million from EUR 3,065 million for the three months ended September 30, 2008. Premium income was up 16.2% entirely due to the change in the recognition of life premiums in the Netherlands, which offset

Table of Contents

pressure on premium income due to rising unemployment and increased competition. Investment and other income declined 16.1% in the three months ended September 30, 2009 compared to the same period of 2008 on lower direct investment income which was partly offset by lower negative revaluations. New sales (APE) were up 6.0% year-on-year mostly due to a change in the recognition of life premiums in the Netherlands. Excluding this impact, sales declined 7.3%, primarily due to lower sales in Central and Rest of Europe.

The value of new business (**VNB**) fell 61.5% in the three months ended September 30, 2009 compared to the same period of 2008 as sales were lower in all countries except in the Netherlands. Lower exchange rates for Central European currencies and the impact of the Romanian second-pillar pension fund in the third quarter of 2008.

Expenses

Operating expenses decreased 7.7% in the three months ended September 30, 2009 compared to the same period of 2008 due to strict cost control, depreciation of Central European currencies against the euro, and a change in the allocation of Group overhead.

Result before tax and underlying result before tax

Insurance Europe s underlying result before tax was EUR 358 million for the three months ended September 30, 2009, up from EUR 101 million in the same period of 2008.

Results in the three months ended September 30, 2009 compared to the same period of 2008 were driven by favorable market impacts including higher gains on debt securities, positive private equity revaluations and a positive swing in the provision for guarantees on separate account pension contracts (net of hedging), as well as lower expenses.

INSURANCE AMERICAS

	Three months ended September 30,	
	2009	**2008**
(EUR millions)	*unaudited*	
Premium income	3,531	5,411
Commission income	305	354
Investment and other income	98	905
Total income	**3,934**	**6,670**
Underwriting expenditure	3,201	6,024
Other interest expenses	30	66
Operating expenses	412	683
Other impairments		1
Total expenditure	**3,643**	**6,774**
Result before tax	**291**	**(105)**
Gains/losses on divestments	12	(178)
Result before tax from divested units	4	(106)
Special items		73
Underlying result before tax	**307**	**(316)**

Three months ended September 30, 2009 compared to three months ended September 30, 2008

Table of Contents

Income

Total income was down 41.0% for the three months ended September 30, 2009 compared to the same period of 2008 as gross premium income declined 34.7%. Investment and other income fell 89.2% in the three months ended September 30, 2009. This reflects lower fee income and investment margins, and a loss on equity hedges in place to protect regulatory capital. Sales (APE) fell 23.0% for the three months ended September 30, 2009 compared to the same period of 2008. Individual life sales declined due to price increases and variable annuity sales decreased as ING sought to limit sales of its existing variable annuities until its new rollover product is introduced.

Expenses

Lower staff and benefit costs throughout the region led to a 39.7% decline in operating expenses for the three months ended September 30, 2009 compared to the same period of 2008.

Result before tax and underlying result before tax

The ongoing market recovery helped Insurance Americas deliver an underlying profit before tax of EUR 307 million for the three months ended September 30, 2009 compared to EUR (316) million in the same period of 2008.

INSURANCE ASIA/PACIFIC

	Three months ended September 30,	
	2009	**2008**
	unaudited	*unaudited*
	(EUR millions)	
Premium income	1,665	2,873
Commission income	75	82
Investment and other income	381	935
Total income	**2,121**	**3,890**
Underwriting expenditure	1,484	3,408
Other interest expenses	212	197
Operating expenses	202	266
Other impairments		
Total expenditure	**1,898**	**3,871**
Result before tax	**223**	**19**
Gains/losses on divestments		
Result before tax from divested units		
Special items		
Underlying result before tax	**223**	**19**

Three months ended September 30, 2009 compared to three months ended September 30, 2008

Income

Total income was 45.5% lower at EUR 2,121 million for the three months ended September 30, 2009, compared to the same period of 2008. This was mainly the result of lower gross premium income, which declined 27.9% largely from

Table of Contents

lower single premium business in Japan SPVA and South Korea. Investment and other income fell 59.3% for the three months ended September 30, 2009 compared to the same period of 2008 due to fair value changes on the derivatives used to hedge Japan s SPVA guaranteed benefits, with an offset in underwriting expenditure. New sales (APE) fell 27.1% for the three months ended September 30, 2009 compared to the same period of 2008. Excluding Japan SPVA, APE declined 17.0%, predominantly on lower investment-linked product sales in South Korea and Australia. The VNB for the three months ended September 30, 2009 fell 17.2% compared to the same period of 2008, less than the fall in APE, mainly due to the cessation of Japan SPVA sales and improved value generation in Korea.

Expenses

Operating expenses for the three months ended September 30, 2009 declined 24.1% compared to the same period in 2008. All countries contributed to the decline in expenses with the exception of Malaysia where new business growth was robust, and Australia where a one-off administrative provision was booked.

Result before tax and underlying result before tax

Underlying result before tax and results before tax were EUR 223 million for the three months ended September 30, 2009 compared with EUR 19 million in the same period of 2008. Results improved as market-related impacts turned positive, mainly due to Japan SPVA.

COMMERCIAL BANKING

	Three months ended September 30,	
	2009	**2008**
	Unaudited (EUR millions)	
Interest result	942	738
Commission income	324	293
Investment and other income	(53)	(82)
Total income	**1,213**	**950**
Operating expenses	730	715
Additions to the provision for loan losses	234	195
Total expenditure	**964**	**910**
Result before tax	**249**	**40**
Special items	(18)	
Underlying result before tax	**267**	**40**

Three months ended September 30, 2009 compared to three months ended September 30, 2008

Income

Total income rose 27.7% to EUR 1,213 million for the three months ended September 30, 2009 compared to the same period of 2008, despite EUR 52 million higher negative revaluations, impairments and other market impacts. The interest result for the three months ended September 30, 2009 increased by 27.6% compared to the same period of

2008 driven by Financial Markets and lending activities, where higher margins more than compensated for a decline in volumes. Commission income increased 10.6% for the three months ended September 30, 2009 compared to the same period in 2008 due to higher fees in General Lending and Real Estate Investment Management. Investment income was negative, mainly due to market impacts which continued to put pressure on results.

Expenses

Operating expenses were heavily impacted by EUR 121 million of impairments on real estate development projects during the three months ended September 30, 2009. Excluding these impairments in both periods, expenses for the three months ended September 30, 2009 fell 13.6% compared to the three months ended September 30, 2008, reflecting savings from cost-containment initiatives and headcount reductions. Commercial Banking s underlying cost/income ratio improved to 58.6% for the three months ended September 30, 2009 from 75.3% in the same period of 2008.

Additions to the provision for loan losses

Risk costs for the three months ended September 30, 2009 were EUR 234 million, which is 20% higher than the same quarter of last year, but less than half of the amount posted in the second quarter of 2009. The decline from the previous quarter was due to lower new additions coupled with one-time releases on some prior provisions in General Lending and Structured Finance.

Underlying result before tax

Commercial Banking reported an underlying result before tax of EUR 267 million for the three months ended September 30, 2009. Excluding the quarterly loss of EUR 309 million at ING Real Estate for the three months ended September 30, 2009, Commercial Banking generated a profit before tax of EUR 577 million for the three months ended September 30, 2009.

RETAIL BANKING

	Three months ended September 30,	
	2009	**2008**
	(EUR millions) *Unaudited*	
Interest result	1,439	1,349
Commission income	341	391
Investment and other income	43	84
Total income	**1,823**	**1,825**
Operating expenses	1,158	1,347
Additions to the provision for loan losses	192	93
Total expenditure	**1,350**	**1,440**
Result before tax	**472**	**384**
Special items	(76)	(36)
Underlying result before tax	**548**	**420**

Table of Contents

Three months ended September 30, 2009 compared to three months ended September 30, 2008

Income

Total income was relatively flat for the three months ended September 30, 2009 compared with the same period in 2008. The interest result rose 6.7% for the three months ended September 30, 2009 compared to the same period of 2008, driven by an improvement in margins and higher volumes in Belgium and Central Europe. Commission income decreased 12.8% for the three months ended September 30, 2009 compared to the same period of 2008 as a result of lower fees on asset management and financial markets related products. Investment income and other income fell by EUR 41 million for the three months ended September 30, 2009 compared to the same period of 2008 mainly due to lower income on financial markets related products in the SME and mid-corporates segment.

Expenses

Operating expenses declined 14.0%, or EUR 189 million for the three months ended September 30, 2009 compared to the same period of 2008 mainly due to cost efficiencies, plus the one-time settlement of a vendor contract and the release of an employee benefits provision.

Additions to the provision for loan losses

The addition to the provision for loan losses increased by EUR 99 million for the three months ended September 30, 2009 compared to the same period last year to EUR 192 million, reflecting the economic downturn. This was especially visible in the SME and mid-corporates segment in the Benelux, while risk costs for mortgages remained low.

Underlying result before tax

Retail Banking s underlying result before tax rose 30.5% for the three months ended September 30, 2009 compared to the same period of 2008 and 28.6% from three month period ended June 30, 2009.

The retail banking market continued to normalize during the third quarter of 2009. Competition for savings remained strong; however, a general downward movement in rates relieved some pressure on margins. Demand for lending was subdued in most markets illustrating the difficult economic environment. Nonetheless, margins on lending rose, reflecting higher risk premiums.

ING DIRECT

	Three months ended September 30,	
	2009	**2008**
	(EUR millions)	
	Unaudited	
Interest result	820	647
Commission income	54	21
Investment and other income	(591)	(210)
Total income	**282**	**458**
Operating expenses	404	420
Additions to the provision for loan losses	238	85
Total expenditure	**642**	**505**
Result before tax	**(360)**	**(47)**
Divestments		
Special items	(2)	

Underlying result before tax	**(358)**	**(47)**

Three months ended September 30, 2009 compared to three months ended September 30, 2008

Table of Contents

Income

Total income fell 38.4% to EUR 282 million for the three months ended September 30, 2009 from EUR 458 million for the three months ended September 30, 2008. Total income for the three months ended September 30, 2009 includes EUR 642 million of impairments on the investment portfolio, of which EUR 575 million related to the Alt-A RMBS portfolio retained by ING following the transfer to the Dutch State under the Illiquid Assets Back-Up Facility. The interest result rose 26.7% for the three months ended September 30, 2009 compared to the same period of 2008, driven by higher volumes and improved margins. The interest margin improved to 1.16% for the three months ended September 30, 2009 from 0.96% for the same period in 2008. Commission income more than doubled, while other income was relatively stable.

Expenses

Expenses were down 3.8% for the three months ended September 30, 2009 compared to the same period of 2008, due to strict cost control and despite EUR 29 million higher deposit insurance premiums in the US and Germany during the 2009 period. Compared with the second quarter of 2009, expenses were 7.6% lower.

Risk costs were EUR 238 million for the three months ended September 30, 2009, EUR 153 million higher than in the same period last year and EUR 68 million higher than in the second quarter of 2009. The increase compared with both quarters was mainly due to a higher rate of delinquencies and loss severities in the US mortgage market as well as the impact of loan modifications in the US mortgage portfolio.

Result before tax and underlying result before tax

ING Direct posted an underlying loss before tax of EUR 358 million for the three months ended September 30, 2009. Interest and commission income were up strongly compared with the same period last year, but could not compensate for significant impairments on the US investment portfolio and a further increase in loan loss provisions.

Table of Contents

LIQUIDITY AND CAPITAL RESOURCES FOR THE PERIOD ENDED SEPTEMBER 30, 2009

ING Groep N.V. is a holding company whose principal assets are its investments in the capital stock of its primary insurance and banking subsidiaries. The liquidity and capital resource considerations for ING Groep N.V., ING Insurance and ING Bank vary in light of the business conducted by each, as well as the insurance and bank regulatory requirements applicable to the Group in the Netherlands and the other countries in which it does business. ING Groep N.V. has no employees and substantially all of ING Groep N.V. s operating expenses are allocated to and paid by its operating companies.

As a holding company, ING Groep N.V. s principal sources of funds are funds that may be raised from time to time from the issuance of debt or equity securities and bank or other borrowings, as well as cash dividends received from its subsidiaries. ING Groep N.V. s total debt and capital securities outstanding to third parties at September 30, 2009 was EUR 17,599 million, at December 31, 2008, EUR 18,841 million, at December 31, 2007, EUR 14,709 million and at December 31, 2006, EUR 12,376 million. The EUR 17,599 million of debt outstanding at September 30, 2009 consisted of:

EUR 10 million principal amount of 9.000% perpetual debt securities issued in September 2008,

EUR 1,331 million principal amount of 8.500% perpetual debt securities issued in June 2008,

EUR 1,477 million principal amount of 8.000% perpetual debt securities issued in April 2008,

EUR 1,002 million principal amount of 7.375% perpetual debt securities issued in October 2007,

EUR 700 million principal amount of 6.375% perpetual debt securities issued in June 2007,

EUR 1,021 million principal amount of 8.439% perpetual debt securities issued in December 2000,

EUR 484 million principal amount of 7.05% perpetual debt securities issued in July 2002,

EUR 679 million principal amount of 7.20% perpetual debt securities issued in December 2002,

EUR 724 million principal amount perpetual debt securities with a variable interest rate issued in June 2003,

EUR 331 million principal amount of 6.20% perpetual debt securities issued in October 2003,

EUR 987 million principal amount perpetual debt securities with a variable interest rate issued in 2004,

EUR 498 million principal amount of 4.176% perpetual debt securities issued in 2005,

EUR 464 million principal amount of 6.125% perpetual debt securities issued in 2005,

EUR 677 million principal amount of 5.775% perpetual debt securities issued in 2005,

EUR 654 million principal amount of 5.14% perpetual debt securities issued in 2006, and

EUR 6,560 million debentures.

The details with respect to the debentures are as follows:

Interest rate (%)	Year of issue	Due date	Balance sheet value (EUR millions)
5.625	2008	September 3, 2013	1,080
4.699	2007	June 1, 2035	117
4.75	2007	May 31, 2017	1,872
variable	2006	June 28, 2011	749
variable	2006	April 11, 2016	997
4.125	2006	April 11, 2016	745
6.125	2000	January 4, 2011	1,000
			6,560

At September 30, 2009 and December 31, 2008, 2007 and 2006, ING Groep N.V. also owed EUR 1,863 million, EUR 1,254 million, EUR 174 million and EUR 35 million, respectively, to ING Group companies pursuant to intercompany lending arrangements. Of the EUR 1,863 million owed by ING Groep N.V. to ING Group companies at September 30, 2009, EUR 1,000 million was owed to ING Insurance companies, and EUR 1,863 million was owed to ING Bank companies, as a result of normal intercompany transactions.

In October 2008 ING issued Core Tier-1 Securities to the Dutch State for a total consideration of EUR 10,000 million. This capital injection qualifies as Core Tier-1 capital for regulatory purposes. Such securities were not issued in the years before. See Business Transactions with the Dutch State and Information Relating to ING Shares and Applicable Legal Provisions Capital Structure, Shares Core Tier-1 Securities .

At September 30, 2009, December 31, 2008, 2007 and 2006, ING Groep N.V. had EUR 220 million, EUR 33 million, EUR 162 million and EUR 103 million of cash, respectively. Dividends paid to the Company by its subsidiaries amounted to EUR 350 million, EUR 7,050 million, EUR 5,900 million and EUR 3,450 million in 2009, 2008, 2007 and 2006, respectively, in each case representing dividends declared and paid with respect to the reporting calendar year and the prior calendar year. Of the amounts paid to the Company, EUR 350 million, EUR 2,800 million, EUR 4,600 million and EUR 1,650 million were received from ING Insurance in 2009, 2008, 2007 and 2006, respectively; EUR 4,250 million, EUR 1,300 million and EUR 1,800 million were received from ING Bank in 2008, 2007 and 2006, respectively. On the other hand, the Company injected EUR 150 million, EUR 12,650 million and EUR 2,200 million into its direct subsidiaries during the period or year 2009, 2008, 2007, and 2006, respectively. Of the amounts injected by the Company, EUR 0 million, EUR 5,450 million, EUR 0 million and EUR 0 million were injected into ING Insurance in 2009, 2008, 2007 and 2006, respectively; EUR 150 million, EUR 7,200 million, EUR 2,200 million and EUR 0 million were injected into ING Bank in 2009, 2008, 2007 and 2006, respectively. Repayments to ING by its subsidiaries amounted to EUR 0 million, EUR 0 million and EUR 563 million in 2008, 2007 and 2006, respectively, of the amounts paid to the Company, EUR 0 million and EUR 563 million were received from ING Bank in 2007 and 2006, respectively. ING and its Dutch subsidiaries are subject to legal restrictions on the amount of dividends they can pay to their shareholders. The Dutch Civil Code provides that dividends can only be paid by Dutch companies up to an amount equal to the excess of a company s shareholders equity over the sum of (1) paid-up capital and (2) shareholders reserves required by law. Further, certain of the Group companies are subject to restrictions on the amount of funds they may transfer in the form of cash dividends or otherwise to ING Groep N.V. In addition to the restrictions in respect of minimum capital and capital base requirements that are imposed by insurance, banking and other regulators in the countries in which the Group s subsidiaries operate, other limitations exist in certain countries. For example, the operations of the Group s insurance company subsidiaries located in the United States are subject to limitations on the payment of dividends to their parent company under applicable state insurance laws. Dividends paid in excess of these limitations generally require prior approval of the Insurance Commissioner of the state of domicile.

Capital Adequacy

Capital adequacy and the use of capital are monitored by ING Bank and its subsidiaries, employing techniques based on the guidelines developed by the Basel Committee on Banking Supervision and implemented by the EU and the DNB for supervisory purposes.

Table of Contents

The following table sets forth the risk-weighted capital ratios of ING Bank N.V. as of September 30, 2009:

	Nine months ended September 30, 2009 (EUR millions, other than percentages)
Risk-Weighted Assets	337,338
Consolidated group equity:	
Tier 1 Capital	32,722
Tier 2 Capital	12,101
Tier 3 Capital Supervisory deductions	(1,145)
Total qualifying capital	**43,678**
Tier 1 Capital Ratio	9.70%
Total Capital Ratio (Tier 1, 2 and 3)	12.95%

ING Group s management believes that working capital is sufficient to meet the current and reasonably foreseeable needs of the Company.

Adjusted Equity

To the extent our debt/equity ratio (based on adjusted equity) increases or the components thereof change significantly period over period, we believe that rating agencies and regulators would all view this as material information relevant to our financial health and solvency. On the basis of adjusted equity, the debt/equity ratio of ING increased to 13.5% in 2008 from 9.5% in 2007. The debt/equity ratio of ING Group between March 31, 2007 and September 30, 2009 has been in the range of 8.5% and 19.9%. Although rating agencies take many factors into account in the ratings process and any of those factors alone or together with other factors may affect our rating, we believe that an increase of our debt/equity ratio in a significant way, and for an extended period of time, could result in actions from rating agencies including a possible downgrade of the financial strength ratings of our operating subsidiaries. Similarly, although regulatory authorities do not currently set any explicit leverage requirements for ING Group, such an increase of our debt/equity ratio could also likely result in greater scrutiny by regulatory authorities. Over the last year, ING has targeted a 15% debt/equity ratio for ING Group currently, but management aims to reduce the Group debt/equity ratio to 10% in the near term. In addition ING stated in its Restructuring Plan as presented on October 26, 2009 that in the coming years, as insurance units are divested, ING wants to reduce its Core Debt to zero, thereby eliminating the double leverage. These targets are reviewed at least once a year and approved by the Executive Board. During the yearly review many factors are taken into account to establish this target, such as rating agency guidance, regulatory guidance, peer review, risk profile and strategic objectives. During the year, the ratio is managed by regular reporting, forecasting and capital management actions. Management has full discretion to change the target ratio if circumstances change.

Table of Contents

SIGNATURE

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

ING Groep N.V.
(Registrant)

By: */s/ H. van Barneveld*
H. van Barneveld
General Manager Group Finance & Control

By: /s/ *W.A. Brouwer*
W.A. Brouwer
Assistant General Counsel

Dated: November 27, 2009