

AMCON DISTRIBUTING CO

Form SC 13D/A

September 20, 2006

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

**SCHEDULE 13D/A**

**Under the Securities Exchange Act of 1934  
(Amendment No. 2 )\***

**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)

**August 31, 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).

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[Repeat following page as necessary]

NAMES OF REPORTING PERSONS:

**1** Draupnir Capital, LLC

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

**2**  
(a)   
(b)

SEC USE ONLY:

**3**

SOURCE OF FUNDS (SEE INSTRUCTIONS):

**4**  
WC

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e):

**5**

CITIZENSHIP OR PLACE OF ORGANIZATION:

**6**  
Delaware

SOLE VOTING POWER:

**7**

NUMBER OF 163,338<sup>1</sup>

SHARED VOTING POWER:

SHARES BENEFICIALLY **8**

OWNED BY 0

EACH REPORTING PERSON 9 SOLE DISPOSITIVE POWER:  
163,338<sup>1</sup>

WITH 10 SHARED DISPOSITIVE POWER:  
0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:  
163,338<sup>1</sup>

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):  
23.7%<sup>2</sup>

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS):  
OO

<sup>1</sup> Includes 16,496 shares of Common Stock of AMCON Distributing Company that would be issued upon conversion of 20,000 shares of Series A Convertible Preferred Stock at price of \$30.31 per share and 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 690,400 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 July 31, 2006 and the 163,338 shares of Common Stock issuable upon conversion of the Reporting Person's Series A and Series C Convertible Preferred Stock.
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NAMES OF REPORTING PERSONS:

**1** Draupnir, LLC

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

**2**  
(a)   
(b)

SEC USE ONLY:

**3**

SOURCE OF FUNDS (SEE INSTRUCTIONS):

**4**  
N/A

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e):

**5**

CITIZENSHIP OR PLACE OF ORGANIZATION:

**6**  
Delaware

SOLE VOTING POWER:

**7**  
NUMBER OF 212,826<sup>1</sup>

SHARED VOTING POWER:

SHARES BENEFICIALLY **8**

OWNED BY 0

EACH REPORTING PERSON 9  
SOLE DISPOSITIVE POWER:  
212,826<sup>1</sup>

WITH 10  
SHARED DISPOSITIVE POWER:  
0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:  
212,826<sup>1</sup>

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):  
28.8%<sup>2</sup>

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS):  
OO

<sup>1</sup> 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 and 16,496 shares of Common Stock

of AMCON  
Distributing  
Company that  
would be issued  
upon conversion  
of 20,000 shares  
of Series A  
Convertible  
Preferred Stock  
at a price of  
\$30.31 per  
share, held by  
its subsidiary,  
Draupnir  
Capital LLC,  
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 739,888  
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 July 31,  
2006 and the

212,826 shares  
of Common  
Stock issuable  
upon conversion  
of the Reporting  
Person s  
Series A and  
Series C  
Convertible  
Preferred Stock.

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NAMES OF REPORTING PERSONS:

The Lifeboat Foundation

**1**

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

**2**

- (a)
- (b)

SEC USE ONLY:

**3**

SOURCE OF FUNDS (SEE INSTRUCTIONS):

**4**

N/A

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e):

**5**

CITIZENSHIP OR PLACE OF ORGANIZATION:

**6**

Illinois

SOLE VOTING POWER:

**7**

NUMBER OF 37,849

SHARED VOTING POWER:

SHARES BENEFICIALLY **8**

OWNED BY 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%<sup>1</sup>

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS):  
CO

<sup>1</sup> 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 July 31, 2006.

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[Repeat following page as necessary]

NAMES OF REPORTING PERSONS:

Allen D. Petersen

**1**

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

**2**

- (a)
- (b)

SEC USE ONLY:

**3**

SOURCE OF FUNDS (SEE INSTRUCTIONS):

**4**

N/A

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e):

**5**

CITIZENSHIP OR PLACE OF ORGANIZATION:

**6**

USA

SOLE VOTING POWER:

**7**

NUMBER OF 218,183<sup>1</sup>

SHARED VOTING POWER:

SHARES BENEFICIALLY **8**

OWNED BY 10,291<sup>2</sup>

EACH REPORTING PERSON 9  
SOLE DISPOSITIVE POWER:  
218,183<sup>1</sup>

WITH 10  
SHARED DISPOSITIVE POWER:  
10,291<sup>2</sup>

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:  
228,474

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):  
30.7%<sup>3</sup>

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS):  
IN

<sup>1</sup> 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 and 16,496 shares of Common Stock

of AMCON Distributing Company that would be issued upon conversion of 20,000 shares of Series A Convertible Preferred Stock at a conversion rate of \$30.31 per share, each held by Draupnir Capital, LLC (controlled by the Reporting Person), 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 Mr. Petersen  
shares voting  
and dispositive  
power over  
10,291 shares of  
Common Stock,  
held by  
AMCON  
Corporation  
with one other  
individual.

3 The percentage  
reported in row  
(13) is  
calculated based  
upon 743,005  
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 July 31,  
2006, 212,826  
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, 3,117  
shares of  
Common Stock  
issuable on full  
exercise of all  
options held by  
the Reporting  
Person and  
10,291 shares of  
Common Stock,  
held by  
AMCON  
Corporation, of  
which  
Mr. Petersen  
shares voting  
and dispositive  
power.

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[Repeat following page as necessary]

NAMES OF REPORTING PERSONS:

2003 Allen D. Petersen Irrevocable Trust

**1**

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

**2**

- (a)
- (b)

SEC USE ONLY:

**3**

SOURCE OF FUNDS (SEE INSTRUCTIONS):

**4**

N/A

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e):

**5**

CITIZENSHIP OR PLACE OF ORGANIZATION:

**6**

USA

SOLE VOTING POWER:

**7**

NUMBER OF 2,240

SHARED VOTING POWER:

SHARES BENEFICIALLY **8**

OWNED BY 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%<sup>1</sup>

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS):  
OO

<sup>1</sup> 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 July 31, 2006.

**Item 1. Security and Issuer.**

This second amended and restated statement on Schedule 13D/A (the Amendment ) amends and restates in its entirety the statement on Schedule 13D filed with the United States Securities and Exchange Commission on March 10, 2006 (the Statement ), 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 ), the 2003 Allen D. Petersen Irrevocable Trust (the Trust ) and Allen D. Petersen (each a Reporting Person and collectively, the Reporting Persons ). The Reporting Persons are filing this Amendment in order disclose the acquisition by DCL on August 31, 2006 of 20,000 shares of Series A Convertible Preferred Stock of AMCON Distributing Company, a Delaware corporation ( AMCON ), at a price of \$12.50 per share, pursuant to a Bill of Sale and Stock Assignment and Transfer Separate from Certificate for Series A Convertible Preferred Stock of AMCON Distributing Company, dated August 30, 2006, by and between Aristide Investments and Draupnir Capital, LLC (the Bill of Sale ). These shares are convertible into 16,496 shares of Common Stock , subject to customary anti-dilution adjustments. AMCON s principal offices are located at 7405 Irvington Road, Omaha, NE 68122. The Statement was previously amended on July 17, 2006, and this Amendment amends and replaces the Statement and any prior amendments in its entirety.

**Item 2. Identity and Background.**

This Statement is being filed on behalf of 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 Amendment because DCL acquired 20,000 shares of Series A Convertible Preferred Stock on August 31, 2006, at a price of \$12.50 per share, pursuant to the Bill of Sale. These shares are convertible into 16,496 shares of Common Stock, subject to customary anti-dilution adjustments. The purchase price was funded by DCL s available working capital.

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**Item 4. Purpose of Transaction.**

This Amendment is being filed to further amend and restate the Statement that was filed on behalf of the Reporting Persons on March 10, 2006 and amended on July 17, 2006. On August 30, 2006, DCL entered into the Bill of Sale with Aristide Investments, a California limited partnership, to purchase 20,000 shares of Series A Convertible Preferred Stock, par value \$.01 per share (the Shares ) of AMCON. The Shares are convertible into Common Stock of AMCON at a conversion price of \$30.31 per share, which would result in a deemed beneficial ownership of 16,496 shares of Common Stock of AMCON, subject to customary anti-dilution adjustments. Each of the Reporting Persons have acquired and continue to hold the shares reported herein for investment purposes; provided, however, that Messrs. Petersen, Hobbs and Atayan will also be engaged in the management of AMCON pursuant to their roles as directors and/or officers of AMCON. 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 and may act as a group in connection with such 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 and may act as a group in connection with such transactions.

Mr. Petersen is currently a member of the Board of Directors of AMCON. As set forth in the Securities Purchase Agreement, dated as of March 3, 2006, by and between AMCON Distributing Company and Draupnir Capital, LLC<sup>1</sup> (the Agreement ): (i) Jeremy Hobbs, Chief Executive Officer, member and manager of Draupnir, became a member of the Board of Directors of AMCON on March 29, 2006; (ii) Chris 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. As mentioned above, Messrs. Petersen, Hobbs and Atayan will be engaged in the management of AMCON pursuant to their roles as directors and/or officers. In connection with all of 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, as a Group or individually, 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 bylaws of AMCON or to otherwise manage the business and affairs of AMCON.

Each of the Reporting Persons reserves the right to purchase additional shares of the Common Stock or dispose of shares from time to time as conditions appear advantageous

<sup>1</sup> Filed as Exhibit 1 to the Statement on March 10, 2006 and incorporated by reference herein.

for doing so, and may act as a Group in connection therewith. In addition, Messrs. Petersen and Hobbs may also may acquire options or 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) Except as set forth below, the filing of this statement shall not be deemed to be an admission that any Reporting Person is, for the purposes of Section 13(d) or 13(g) of the Exchange Act, the beneficial owner of any securities covered by this statement other than as set forth in Item 5 below.

DCL is deemed the beneficial owner of 163,338 shares of Common Stock, or 23.7% of the Common Stock (assuming 527,062 shares of Common Stock outstanding as of July 31, 2006 and full conversion of all DCL Series A and 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, and 20,000 shares of Series A Convertible Stock, which are convertible into shares of Common Stock at a price of \$30.31 per share at the option of the holder.

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Draupnir is deemed the beneficial owner of 212,826 shares of Common Stock, or 28.8% of the Common Stock (assuming 527,062 shares of Common Stock outstanding as of July 31, 2006 and full conversion of all DCL Series C Convertible Stock and Draupnir Series A Convertible Stock), 163,338 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).

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.

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 228,474 shares of Common Stock, or 30.7% of the Common Stock (assuming 527,062 shares of Common Stock outstanding as of January 17, 2005, full conversion of all DCL Series A and 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), 163,338 of which are held by DCL, 49,488 of which are held by Draupnir, 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, and 10,291 shares of Common Stock held by AMCON Corporation, over which Mr. Petersen shares beneficial ownership.

The 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 July 31, 2006).

Mr. Hobbs, who became a member of the Board of Directors of AMCON on March 29, 2006, is currently 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 July 31, 2006). 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 163,338 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 and 20,000 shares of Series A Convertible Stock, which are convertible into shares of Common Stock at a price of \$30.31 per share at the option of the holder. DCL does not have shared voting or dispositive power over any other shares of Common Stock.

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Draupnir is deemed to have sole voting and dispositive power over 212,826 shares of Common Stock, 163,338 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. 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. Petersen is deemed to have sole voting and dispositive power over 218,183 shares of Common Stock, 163,338 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.<sup>2</sup> Mr. Petersen shares voting and dispositive power over 10,291 shares of Common Stock, held by AMCON Corporation with one other individual. 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.

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.

<sup>2</sup> 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.

**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 was elected as such director on March 29, 2006. 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. As the sole trustee of the Trust, Mr. Petersen has the sole power to vote and/or dispose of all shares held by the trust. In addition, each of the Reporting Persons have entered into an informal agreement with one another to cooperate as a Group regarding the management and direction of the Company.

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 Bill of Sale and Stock Assignment and Transfer Separate from Certificate for Series A Convertible Preferred Stock of AMCON Distributing Company, dated August 30, 2006, by and between Aristide Investments and Draupnir Capital, LLC

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**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: September 19, 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

THE 2003 ALLEN D. PETERSEN

IRREVOCABLE TRUST

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

ALLEN D. PETERSEN

/s/ Allen D. Petersen

**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         |

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         |