

MARTINEZ ARTHUR C  
 Form 4  
 October 15, 2010

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 MARTINEZ ARTHUR C

2. Issuer Name and Ticker or Trading Symbol  
 PEPSICO INC [PEP]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
 30 EAST ELM STREET  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 10/14/2010

Director  10% Owner  
 Officer (give title below)  Other (specify below)

GREENWICH, CT 06830

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
PepsiCo, Inc. Common Stock	10/14/2010		M		6,667	A	\$ 37.5
PepsiCo, Inc. Common Stock	10/14/2010		M		5,102	A	\$ 49
PepsiCo, Inc. Common Stock	10/14/2010		S		11,769	D	\$ 66.6899 <u>(1)</u>
							45,827.65
							50,929.65
							39,160.65

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PepsiCo, Inc. Common Stock	10/14/2010	S	5,461	D	\$ 66.6644 <u>(2)</u>	33,699.65	D
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**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.**

SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
							Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 49	10/14/2010		M	5,102	10/01/2001 09/30/2011	PepsiCo, Inc. Common Stock 5,102
Employee Stock Option (right to buy)	\$ 37.5	10/14/2010		M	6,667	10/01/2002 09/30/2012	PepsiCo, Inc. Common Stock 6,667

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MARTINEZ ARTHUR C 30 EAST ELM STREET GREENWICH, CT 06830	X			

## Signatures

/s/ Thomas H. Tamoney, Jr.,  
Atty-in-Fact

10/15/2010

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The shares with respect to this transaction were sold at prices ranging from \$66.68 and \$66.7018 to cover option costs and broker commissions. Upon request, PepsiCo, Inc. will provide to the Securities and Exchange Commission staff, the Issuer, or a security holder of the Issuer, full information regarding the number of shares sold at each separate price.

(2) The shares with respect to this transaction were sold at prices ranging from \$66.66 and \$66.6703 to cover option costs and broker commissions. Upon request, PepsiCo, Inc. will provide to the Securities and Exchange Commission staff, the Issuer, or a security holder of the Issuer, full information regarding the number of shares sold at each separate price.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.