

NOWELL LIONEL L III
 Form 4
 May 18, 2009

FORM 4

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

OMB APPROVAL

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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 *
 NOWELL LIONEL L III

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)
 700 ANDERSON HILL ROAD

3. Date of Earliest Transaction (Month/Day/Year)
 05/14/2009

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

SVP and Treasurer

(Street)
 PURCHASE, NY 10577

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V | Amount (A) or (D) Price | | |
| PepsiCo, Inc. Common Stock | 05/14/2009 | | M | | 28,203 A \$ 38.25 | 69,209 | D |
| PepsiCo, Inc. Common Stock | 05/14/2009 | | S | | 28,203 D \$ 50.5 | 41,006 | D |
| PepsiCo, Inc. Common Stock | | | | | | 12,697.5118 (1) | I by 401 (k) |

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(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 Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| Employee Stock Option (right to buy) | \$ 38.25 | 05/14/2009 | | M | 28,203 | 08/07/2000 ⁽²⁾ 06/30/2009 | PepsiCo, Inc. Common Stock |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------|-------|
| | Director | 10% Owner | Officer | Other |
| NOWELL LIONEL L III 700 ANDERSON HILL ROAD PURCHASE, NY 10577 | | | SVP and Treasurer | |

Signatures

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

05/18/2009

__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) Reflects number of shares held under the reporting person's account in the PepsiCo 401(k) Plan as of May 14, 2009.
- Under the Terms of the PepsiCo Long-Term Incentive Plan, the Vesting Date of these options was accelerated from 02/01/2002 to
- (2) 08/07/2000 upon the reporting person's transfer of employment in 2000 to The Pepsi Bottling Group from PepsiCo. The reporting person returned to PepsiCo in 2001.

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.