PEPSICO INC Form 4 October 03, 2008

FORM 4

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

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 * SCHIRO JAMES J

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to Issuer

OMB APPROVAL

3235-0287

January 31,

2005

0.5

OMB

Number:

Expires:

response...

Estimated average

burden hours per

PEPSICO INC [PEP]

(Check all applicable) 3. Date of Earliest Transaction

(Month/Day/Year)

10/01/2008

_X__ Director 10% Owner Officer (give title Other (specify

ZURICH FINANCIAL SERVICES, MYTHENQUAI 2, P.O. **BOX 8022**

(First)

(Middle)

(Last)

(Street) 4. If Amendment, Date Original

Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

ZURICH,	V8	802	2
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(City)	(State)	(Zip) Tab	le I - Non-	Derivative So	ecurit	ies Acqui	red, Disposed of,	or Beneficiall	y Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transactic Code (Instr. 8)	4. Securities our Disposed (Instr. 3, 4 a	of (D		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)
PepsiCo, Inc. Common Stock	09/30/2008		A		A	(<u>1</u>)	13,327.18 (2)	D	
PepsiCo, Inc. Common Stock	10/01/2008		A	2,093.8 (<u>3)</u>	A	\$ 0	15,420.98	D	
PepsiCo, Inc. Common	10/01/2008		A	1,954.22 (4)	A	\$ 71.64	17,375.2	D	

Stock

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)

> 9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr

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)	4. Transa Code (Instr.		5. onNumber of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		ate	Secur	int of rlying	8. Price of Derivative Security (Instr. 5)
			Code	V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	

Reporting Owners

Reporting Owner Name / Address	Relationships					
1	Director	10% Owner	Officer	Other		
SCHIRO JAMES J ZURICH FINANCIAL SERVICES MYTHENQUAI 2, P.O. BOX 8022 ZURICH, V8 8022	X					

Signatures

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

10/03/2008 Date

**Signature of Reporting Person

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).
- This number represents the phantom stock units acquired at various dates between September 29, 2007 and September 30, 2008 through (1) reinvestment of dividend equivalents pursuant to the PepsiCo Director Deferral Program, at prices ranging from \$63.59 to \$75.29, payable in shares of PepsiCo Common Stock on a one-for-one basis.
- (2) This number includes 9566.98 phantom stock units credited to the filing person's account under the PepsiCo Director Deferral Program that were previously reported upon acquisition in Table II and that are payable in shares of PepsiCo Common Stock on a one-for-one

Reporting Owners 2

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basis.

- This number represents the filing person's phantom stock units received for service as a director that are payable in shares of PepsiCo (3) Common Stock on a one-for-one basis commencing on the first day of the calendar quarter following the first anniversary of the filing person's retirement or resignation from PepsiCo's Board of Directors.
- This number represents the annual cash retainer, or portion thereof, that the filing person elected to defer under the PepsiCo Director (4) Deferral Program that is payable in shares of PepsiCo Common Stock commencing on the first day of the year following the filing person's retirement or resignation from PepsiCo's Board of Directors.

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.