

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): April 29, 2020**

**PepsiCo, Inc.**

(Exact name of registrant as specified in its charter)

**North Carolina**

(State or other jurisdiction of incorporation)

**1-1183**

(Commission File Number)

**13-1584302**

(IRS Employer Identification No.)

**700 Anderson Hill Road, Purchase, New York**

(Address of principal executive offices)

**10577**

(Zip Code)

Registrant's telephone number, including area code: **(914) 253-2000**

**N/A**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value 1-2/3 cents per share	PEP	The Nasdaq Stock Market LLC
2.500% Senior Notes due 2022	PEP22a	The Nasdaq Stock Market LLC
1.750% Senior Notes due 2021	PEP21a	The Nasdaq Stock Market LLC
2.625% Senior Notes due 2026	PEP26	The Nasdaq Stock Market LLC
0.875% Senior Notes due 2028	PEP28	The Nasdaq Stock Market LLC
0.750% Senior Notes due 2027	PEP27	The Nasdaq Stock Market LLC
1.125% Senior Notes due 2031	PEP31	The Nasdaq Stock Market LLC
0.875% Senior Notes due 2039	PEP39	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 8.01. Other Events.****PepsiCo Senior Notes Offering.**

On April 29, 2020, PepsiCo, Inc. (“PepsiCo”) announced an offering of €1,000,000,000 aggregate principal amount of its 0.250% Senior Notes due 2024 (the “2024 Notes”) and €1,000,000,000 aggregate principal amount of its 0.500% Senior Notes due 2028 (the “2028 Notes,” and together with the 2024 Notes, the “Notes”). BNP Paribas, Deutsche Bank AG, London Branch and HSBC Bank plc were joint book-running managers for the offering of the Notes.

PepsiCo received net proceeds of approximately €1,991 million, after deducting underwriting discounts and estimated offering expenses payable by PepsiCo. The net proceeds will be used for general corporate purposes, including the repayment of commercial paper.

The Notes were offered and sold pursuant to a Terms Agreement (the “Terms Agreement”) dated April 29, 2020 (incorporating the PepsiCo, Inc. Underwriting Agreement Standard Provisions dated as of November 18, 2019 (the “Standard Provisions”)) among PepsiCo and the several underwriters, under PepsiCo’s automatic shelf registration statement (the “Registration Statement”) on Form S-3 (File No. 333-234767), filed with the Securities and Exchange Commission (the “SEC”) on November 18, 2019. PepsiCo has filed with the SEC a prospectus supplement, dated April 29, 2020, together with the accompanying prospectus, dated November 18, 2019, relating to the offer and sale of the Notes. The Notes were issued on May 6, 2020 pursuant to an Indenture (the “Indenture”) dated as of May 21, 2007 between PepsiCo and The Bank of New York Mellon, as Trustee. The following table summarizes information about the Notes and the offering thereof.

<b>Title of Securities:</b>	<b>0.250% Senior Notes due 2024</b>	<b>0.500% Senior Notes due 2028</b>
Aggregate Principal Amount Offered:	€1,000,000,000	€1,000,000,000
Maturity Date:	May 6, 2024	May 6, 2028
Interest Payment Dates:	Annually on May 6, commencing on May 6, 2021.	Annually on May 6, commencing on May 6, 2021.
Coupon:	0.250%	0.500%
Optional Redemption:	Prior to April 6, 2024, make-whole call at comparable government bond rate plus 15 basis points; par call at any time on or after April 6, 2024.	Prior to February 6, 2028, make-whole call at comparable government bond rate plus 20 basis points; par call at any time on or after February 6, 2028.
Price to Public:	99.865%	99.914%

The Notes are unsecured obligations of PepsiCo and rank equally with all of PepsiCo’s other unsecured senior indebtedness. The Indenture also contains customary event of default provisions.

The above description of the Terms Agreement, the Indenture and the Notes is qualified in its entirety by reference to the Terms Agreement, the Indenture and the forms of Notes. Each of the Terms Agreement, the Standard Provisions and the forms of the 2024 Note and 2028 Note is incorporated by reference into the Registration Statement and is filed with this Current Report on Form 8-K as Exhibit 1.1, Exhibit 1.2, Exhibit 4.1 and Exhibit 4.2, respectively. The Board of Directors resolutions authorizing PepsiCo's officers to establish the terms of the Notes have been filed as Exhibit 4.7 to the Registration Statement. The Indenture has been filed as Exhibit 4.3 to the Registration Statement. Opinions regarding the legality of the Notes are incorporated by reference into the Registration Statement and are filed with this Current Report on Form 8-K as Exhibits 5.1 and 5.2; and consents relating to such incorporation of such opinions are incorporated by reference into the Registration Statement and are filed with this Current Report on Form 8-K as Exhibits 23.1 and 23.2 by reference to their inclusion within Exhibits 5.1 and 5.2, respectively.

**Item 9.01. Financial Statements and Exhibits.**

**(d) Exhibits**

- [1.1 Terms Agreement dated April 29, 2020 \(incorporating the PepsiCo, Inc. Underwriting Agreement Standard Provisions dated as of November 18, 2019\) among PepsiCo and the several underwriters named therein.](#)
  - [1.2 PepsiCo, Inc. Underwriting Agreement Standard Provisions dated as of November 18, 2019 \(incorporated by reference to Exhibit 1.2 to PepsiCo's Registration Statement on Form S-3 filed with the SEC on November 18, 2019\).](#)
  - [4.1 Form of 0.250% Senior Note due 2024.](#)
  - [4.2 Form of 0.500% Senior Note due 2028.](#)
  - [5.1 Opinion of Davis Polk & Wardwell LLP.](#)
  - [5.2 Opinion of Womble Bond Dickinson \(US\) LLP.](#)
  - [23.1 Consent of Davis Polk & Wardwell LLP \(included in Exhibit 5.1\).](#)
  - [23.2 Consent of Womble Bond Dickinson \(US\) LLP \(included in Exhibit 5.2\).](#)
- 104 The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.

**SIGNATURES**

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 hereunto duly authorized.

Date: May 6, 2020

**PepsiCo, Inc.**

By: /s/ Cynthia A. Nastanski  
Name: Cynthia A. Nastanski  
Title: Senior Vice President, Corporate Law and Deputy Corporate Secretary

## PEPSICO, INC.

0.250% Senior Notes due 2024

0.500% Senior Notes due 2028

## TERMS AGREEMENT

April 29, 2020

To: PepsiCo, Inc.  
700 Anderson Hill Road  
Purchase, New York 10577

Ladies and Gentlemen:

We understand that PepsiCo, Inc., a North Carolina corporation (the “Company”), proposes to issue and sell €1,000,000,000 of its 0.250% Senior Notes due 2024 (the “2024 Notes”) and €1,000,000,000 of its 0.500% Senior Notes due 2028 (the “2028 Notes,” and together with the 2024 Notes, the “Underwritten Securities”) subject to the terms and conditions stated herein and in the PepsiCo, Inc. Underwriting Agreement Standard Provisions dated as of November 18, 2019 filed with the Securities and Exchange Commission on November 18, 2019 as Exhibit 1.2 to the Company’s Registration Statement on Form S-3 (File No. 333-234767) (the “Standard Provisions”). Each of the applicable provisions in the Standard Provisions (including defined terms) is incorporated herein by reference in its entirety, and shall be deemed to be a part of this Agreement to the same extent as if such provisions had been set forth in full herein. We, the underwriters named below (the “Underwriters”), offer to purchase, severally and not jointly, the amount of Underwritten Securities opposite our names set forth below at a purchase price equal to 99.565% of the principal amount thereof for the 2024 Notes and 99.489% of the principal amount thereof for the 2028 Notes.

Underwriters	Principal Amount of	
	2024 Notes	2028 Notes
BNP Paribas	€ 250,000,000	€ 250,000,000
Deutsche Bank AG, London Branch	250,000,000	250,000,000
HSBC Bank plc	250,000,000	250,000,000
Goldman Sachs & Co. LLC	60,000,000	60,000,000
Mizuho International plc	60,000,000	60,000,000
Morgan Stanley & Co. International plc	60,000,000	60,000,000
Banco Bilbao Vizcaya Argentaria, S.A.	35,000,000	35,000,000
Barclays Bank PLC	35,000,000	35,000,000
<b>Total</b>	<b>€ 1,000,000,000</b>	<b>€ 1,000,000,000</b>

The Underwriters agree to reimburse the Company for €1,200,000 of its expenses incurred in connection with the offering of the Underwritten Securities; such reimbursement to occur simultaneously with the purchase and sale of the Underwritten Securities at the Closing Time.

Section 9(a)(vii) of the Standard Provisions shall apply to the Underwritten Securities.

Section 9(c), (d) and (e) of the Standard Provisions shall apply to this Agreement. The Stabilizing Manager is HSBC Bank plc. The Manufacturers are BNP Paribas, Deutsche Bank AG, London Branch and HSBC Bank plc.

Section 9(f) of the Standard Provisions shall apply to this Agreement.

For purposes of Section 21 of the Standard Provisions, the identified provisions are: (i) the fifth paragraph of text under the caption “Underwriting” in such preliminary prospectus, Time of Sale Prospectus and the Prospectus; (ii) the fourth sentence of the seventh paragraph of text under the caption “Underwriting” in such preliminary prospectus, Time of Sale Prospectus and the Prospectus; (iii) the eighth paragraph of text under the caption “Underwriting” in such preliminary prospectus, Time of Sale Prospectus and the Prospectus; (iv) the eleventh and twelfth paragraphs of text under the caption “Underwriting” in such preliminary prospectus, Time of Sale Prospectus and the Prospectus; and (v) the second and third full paragraphs of text on page S-2 in such preliminary prospectus, Time of Sale Prospectus and the Prospectus.

The signature of any signatory to this Agreement may be manual or facsimile (including, for the avoidance of doubt, electronic).

The Underwritten Securities and the offering thereof shall have the following additional terms:

Issuer:	PepsiCo, Inc.	
Trade Date:	April 29, 2020	
Time of Sale:	12:25 p.m. New York Time on the Trade Date	
Settlement Date (T+5):	May 6, 2020	
Closing Time:	6:00 a.m. New York Time on the Settlement Date	
Closing Location:	New York, New York	
Time of Sale Prospectus:	Base prospectus dated November 18, 2019, preliminary prospectus supplement dated April 29, 2020 and free writing prospectus dated April 29, 2020	
Title of Securities:	0.250% Senior Notes due 2024	0.500% Senior Notes due 2028
Aggregate Principal Amount Offered:	€1,000,000,000	€1,000,000,000
Maturity Date:	May 6, 2024	May 6, 2028
Interest Payment Dates:	Annually on each May 6, commencing on May 6, 2021	Annually on each May 6, commencing on May 6, 2021
Benchmark Bund:	OBL#179 0.000% due April 2024	DBR 0.500% due February 2028
Benchmark Bund Yield:	-0.690%	-0.595%
Spread to Benchmark Bund:	+97.4 bps	+110.6 bps
Mid-Swap Yield:	-0.296%	-0.169%
Spread to Mid-Swap:	+58 bps	+68 bps
Coupon:	0.250%	0.500%
Price to Public (Issue Price):	99.865%	99.914%
Redemption for Tax Reasons:	The Company may redeem all, but not less than all, of the Underwritten Securities in the event of certain changes in the tax laws of the United States (or any taxing authority in the United States). This redemption would be at a redemption price equal to 100% of the principal amount, together with accrued and unpaid interest on the Underwritten Securities to, but not including, the date fixed for redemption.	
Redemption Provisions:	<p>Prior to April 6, 2024, the greater of (i) 100% of the principal amount of the Underwritten Securities being redeemed and (ii) the sum of the present values of the Remaining Scheduled Payments of principal and interest thereon (exclusive of interest accrued to the date of redemption), assuming for such purpose that the 2024 Notes matured on April 6, 2024, discounted to the redemption date on an annual basis (ACTUAL/ACTUAL (ICMA)) at the applicable Comparable Government Bond Rate plus 15 basis points, plus, in each case, accrued and unpaid interest to the date of redemption.</p> <p>On or after April 6, 2024 (one month prior to the maturity date), at a redemption price equal to 100% of the principal amount of the Underwritten Securities being redeemed, plus accrued and unpaid interest to the date of redemption.</p>	<p>Prior to February 6, 2028, the greater of (i) 100% of the principal amount of the Underwritten Securities being redeemed and (ii) the sum of the present values of the Remaining Scheduled Payments of principal and interest thereon (exclusive of interest accrued to the date of redemption), assuming for such purpose that the 2028 Notes matured on February 6, 2028, discounted to the redemption date on an annual basis (ACTUAL/ACTUAL (ICMA)) at the applicable Comparable Government Bond Rate plus 20 basis points, plus, in each case, accrued and unpaid interest to the date of redemption.</p> <p>On or after February 6, 2028 (three months prior to the maturity date), at a redemption price equal to 100% of the principal amount of the Underwritten Securities being redeemed, plus accrued and unpaid interest to the date of redemption.</p>

	<p>“Par Call Date” means, with respect to the 2024 Notes, April 6, 2024, the date that is one month prior to the maturity date of such 2024 Notes and, with respect to the 2028 Notes, February 6, 2028, the date that is three months prior to the maturity date of such 2028 Notes.</p> <p>“Comparable Government Bond Rate” means, with respect to any redemption date, the price, expressed as a percentage (rounded to three decimal places, with 0.0005 being rounded upwards), at which the gross redemption yield on the Underwritten Securities to be redeemed, if they were to be purchased at such price on the third Business Day prior to the date fixed for redemption, would be equal to the gross redemption yield on such Business Day of the Comparable Government Bond (as defined below) on the basis of the middle market price of the Comparable Government Bond prevailing at 11:00 a.m. (London time) on such Business Day as determined by an independent investment bank selected by the Company.</p> <p>“Comparable Government Bond” means, in relation to any Comparable Government Bond Rate calculation, at the discretion of an independent investment bank selected by the Company, a German government bond whose maturity is closest to the maturity of the Underwritten Securities to be redeemed, assuming for such purpose that the Underwritten Securities matured on the applicable Par Call Date, or if such independent investment bank in its discretion considers that such similar bond is not in issue, such other German government bond as such independent investment bank may, with the advice of three brokers of, and/or market makers in, German government bonds selected by the Company, determine to be appropriate for determining the Comparable Government Bond Rate.</p> <p>“Remaining Scheduled Payments” means, with respect to each Underwritten Security to be redeemed, the remaining scheduled payments of the principal thereof and interest thereon that would be due after the related redemption date but for such redemption, assuming for such purpose that such Underwritten Security matured on the applicable Par Call Date; provided, however, that, if such redemption date is not an interest payment date with respect to such Underwritten Security, the amount of the next succeeding scheduled interest payment thereon will be deemed to be reduced by the amount of interest accrued thereon to such redemption date.</p> <p>“Business Day” means any day, other than a Saturday or Sunday, (1) which is not a day on which banking institutions in the City of New York or the City of London are authorized or required by law or executive order to close and (2) on which the Trans-European Automated Real-time Gross Settlement Express Transfer system (the TARGET2 system), or any successor thereto, operates.</p>	
Net Proceeds to PepsiCo (Before Expenses):	€995,650,000	€994,890,000



Use of Proceeds:	PepsiCo intends to use the net proceeds from this offering for general corporate purposes, including the repayment of commercial paper.	
Day Count Fraction:	ACTUAL/ACTUAL (ICMA)	
CUSIP / ISIN / Common Code:	713448 EW4 / XS2168625460 / 216862546	713448 EX2 / XS2168625544 / 216862554
Currency of Payment:	All payments of interest and principal, including payments made upon any redemption of the Underwritten Securities, will be payable in euro. If, on or after the issuance of the Underwritten Securities, the euro is unavailable to the Company due to the imposition of exchange controls or other circumstances beyond the Company's control or if the euro is no longer being used by the then member states of the European Monetary Union that have adopted the euro as their currency or for the settlement of transactions by public institutions of or within the international banking community, then all payments in respect of the Underwritten Securities will be made in U.S. dollars until the euro is again available to the Company and so used.	
Additional Amounts:	The Company will, subject to certain exceptions and limitations, pay as additional interest on the Underwritten Securities such additional amounts as are necessary in order that the net payment by the Company of the principal of and interest on the Underwritten Securities to a holder who is not a United States person, after withholding or deduction for any present or future tax, assessment or other governmental charge imposed by the United States or a taxing authority in the United States, will not be less than the amount provided in the Underwritten Securities then due and payable.	
Listing:	The Company intends to apply to list the Underwritten Securities on the Nasdaq Bond Exchange and expects trading in the Underwritten Securities to begin within 30 days after the date of their issuance.	
Minimum Denomination:	€100,000 and integral multiples of €1,000	
Joint Book-Running Managers:	BNP Paribas Deutsche Bank AG, London Branch HSBC Bank plc	
Senior Co-Managers:	Goldman Sachs & Co. LLC Mizuho International plc Morgan Stanley & Co. International plc	
Co-Managers:	Banco Bilbao Vizcaya Argentaria, S.A. Barclays Bank PLC	
Address for Notices to the Representatives:	<p>BNP Paribas 10 Harewood Avenue London NW1 6AA United Kingdom</p> <p>Deutsche Bank AG, London Branch Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom</p> <p>HSBC Bank plc 8 Canada Square London E14 5HQ United Kingdom</p>	

IN WITNESS WHEREOF, the parties hereto have executed this Terms Agreement as of the date first above written.

**PEPSICO, INC.**

By: /s/ Hugh F. Johnston

Name: Hugh F. Johnston

Title: Executive Vice President and Chief Financial Officer

By: /s/ Kenneth Smith

Name: Kenneth Smith

Title: Senior Vice President,  
Finance and Treasurer

CONFIRMED AND ACCEPTED, as of the date first above written:

By: **HSBC BANK PLC**  
in its capacity as Underwriter and Stabilizing Manager

By: /s/ Samantha Riley  
Name:Samantha Riley  
Title: Managing Director

By: **BNP PARIBAS**

By: /s/ Hugh Pryse-Davies  
Name:Hugh Pryse-Davies  
Title: Authorized Signatory

By: /s/ Benedict Foster  
Name:Benedict Foster  
Title: Authorized Signatory

By: **DEUTSCHE BANK AG, LONDON BRANCH**

By: /s/ John Han  
Name:John Han  
Title: Managing Director

By: /s/ John McCabe  
Name:John McCabe  
Title: Managing Director

By: **GOLDMAN SACHS & CO. LLC**

By: /s/ Sam Chaffin  
Name:Sam Chaffin  
Title: Vice President

By: **MIZUHO INTERNATIONAL PLC**

By: /s/ Guy Reid  
Name:Guy Reid  
Title: Managing Director

By: **MORGAN STANLEY & CO. INTERNATIONAL PLC**

By: /s/ Rachel Holdstock

Name: Rachel Holdstock

Title: Vice President

By: **BANCO BILBAO VIZCAYA ARGENTARIA, S.A.**

By: /s/ Alvaro Solis

Name: Alvaro Solis

Title: Managing Director

By: /s/ Gonzalo Cid-Luna

Name: Gonzalo Cid-Luna

Title: Executive Director

By: **BARCLAYS BANK PLC**

By: /s/ Emily Wilson

Name: Emily Wilson

Title: Vice President

Time of Sale Prospectus:

1. Preliminary Prospectus dated April 29, 2020 (including the Base Prospectus dated November 18, 2019)
2. Any free writing prospectuses approved by the Representatives and filed by the Company under Rule 433(d) under the Securities Act
3. Final Term Sheet dated April 29, 2020 to be filed by the Company pursuant to Rule 433 under the Securities Act setting forth certain terms of the Underwritten Securities

**[Form of 0.250% Senior Note due 2024]**

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF EUROCLEAR BANK, S.A./N.V., AS OPERATOR OF THE EUROCLEAR SYSTEM ("EUROCLEAR") AND CLEARSTREAM BANKING, SOCIÉTÉ ANONYME ("CLEARSTREAM," AND TOGETHER WITH EUROCLEAR, "EUROCLEAR / CLEARSTREAM"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF THE BANK OF NEW YORK DEPOSITORY (NOMINEES) LIMITED OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF EUROCLEAR / CLEARSTREAM (AND ANY PAYMENT IS MADE TO THE BANK OF NEW YORK DEPOSITORY (NOMINEES) LIMITED OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF EUROCLEAR / CLEARSTREAM), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL IN AS MUCH AS THE REGISTERED OWNER HEREOF, THE BANK OF NEW YORK DEPOSITORY (NOMINEES) LIMITED, HAS AN INTEREST HEREIN.

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**PEPSICO, INC.****0.250% SENIOR NOTE DUE 2024**

PEPSICO, INC., a corporation in existence under the laws of the State of North Carolina (herein called the “Company,” which term includes any successor corporation under the Indenture referred to on the reverse hereof), for value received, hereby promises to pay to The Bank of New York Depository (Nominees) Limited, as nominee of The Bank of New York Mellon, London Branch, a common depository for Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme, the principal sum of € on May 6, 2024, and to pay interest on said principal sum annually on May 6 of each year, commencing May 6, 2021, at the rate of 0.250% per annum from May 6, 2020, or from the most recent date in respect of which interest has been paid or duly provided for, until payment of the principal sum has been made or duly provided for. The interest so payable and punctually paid or duly provided for on any Interest Payment Date will, as provided in the Indenture, be paid to the Person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on the Record Date for such Interest Payment Date, which shall be the April 22 (whether or not a Business Day) next preceding such Interest Payment Date. Any such interest that is payable but is not so punctually paid or duly provided for shall forthwith cease to be payable to the registered Holder on such Record Date and may either be paid to the Person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Notes not earlier than 10 days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of the Nasdaq Bond Exchange (“Nasdaq”) on which the Notes are expected to be listed and upon such notice as may be required by Nasdaq, if such manner of payment shall be deemed practical by the Trustee, all as more fully provided in the Indenture.

Interest will be computed on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the date from which interest begins to accrue for the period (or from May 6, 2020 if no interest has been paid on the Notes) to, but excluding, the next scheduled Interest Payment Date. This payment convention is referred to as ACTUAL/ACTUAL (ICMA) as defined in the rulebook of the International Capital Markets Association.

“Business Day” means any day, other than a Saturday or Sunday, (1) which is not a day on which banking institutions in the City of New York or the City of London are authorized or required by law or executive order to close and (2) on which the Trans-European Automated Real-time Gross Settlement Express Transfer system (the TARGET2 system), or any successor thereto, operates. If any Interest Payment Date, the maturity date or any Redemption Date is not a Business Day, then the related payment for such Interest Payment Date, maturity date or Redemption Date shall be paid on the next succeeding Business Day with the same force and effect as if made on such Interest Payment Date, maturity date or Redemption Date, as the case may be, and no further interest shall accrue as a result of such delay.

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Payment of the principal of and interest on this Note will be made at the Place of Payment; provided, however, that payments of interest may be made at the option of the Company by funds transmitted to the addresses of the Persons entitled thereto as such addresses shall appear in the Security Register.

Principal and interest payments, including payments made upon any redemption, in respect of this Note will be payable in euro. If the euro is unavailable to the Company due to the imposition of exchange controls or other circumstances beyond the Company's control or if the euro is no longer being used by the then member states of the European Monetary Union that have adopted the euro as their currency or for the settlement of transactions by public institutions of or within the international banking community, then all payments in respect of this Note will be made in U.S. dollars until the euro is again available to the Company and so used. In such circumstances, the amount payable on any date in euro will be converted into U.S. dollars on the basis of the then most recently available market exchange rate for euro, as determined by the Company in its sole discretion. Any payment in respect of this Note so made in U.S. dollars will not constitute an Event of Default under this Note or the Indenture. Neither the Trustee nor the Paying Agent shall be responsible for any calculation or conversion in connection with the foregoing.

Initially, The Bank of New York Mellon, London Branch will act as Paying Agent. The Company reserves the right at any time to vary or terminate the appointment of any Paying Agent, to appoint additional or other Paying Agents and to approve any change in the office through which any Paying Agent acts.

Reference is made to the further provisions of this Note set forth on the reverse hereof, which shall have the same effect as though fully set forth at this place. Unless the certificate of authentication hereon has been executed by or on behalf of the Trustee by manual signature, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.



IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed by manual or facsimile signature under its corporate seal or a facsimile thereof.

Dated: \_\_\_\_\_, 2020

PEPSICO, INC.

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

[seal]

Attest:

\_\_\_\_\_

**TRUSTEE'S CERTIFICATE OF AUTHENTICATION**

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

The Bank of New York Mellon, as Trustee

By: \_\_\_\_\_  
Authorized Signatory

Dated: \_\_\_\_\_

[REVERSE OF NOTE]

**PEPSICO, INC.**

**0.250% SENIOR NOTE DUE 2024**

This Note is one of a duly authorized issue of debentures, notes or other evidences of indebtedness of the Company (herein called the “Securities”), issued and to be issued in one or more series under an Indenture, dated as of May 21, 2007 (herein called the “Indenture”), between the Company and The Bank of New York Mellon, as Trustee (herein called the “Trustee,” which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights thereunder of the Company, the Trustee, and the Holders of the Securities, the terms upon which the Securities are, and are to be, authenticated and delivered, and the definition of capitalized terms used herein and not otherwise defined herein. The Securities may be issued in one or more series, which different series may be issued in various aggregate principal amounts, may be denominated in different currencies, may mature at different times, may bear interest (if any) at different rates (which rates may be fixed or variable), may be subject to different redemption provisions (if any), may be subject to different sinking, purchase, or analogous funds (if any), may be subject to different covenants and Events of Default, and may otherwise vary as provided in the Indenture. This Note is one of a series of Securities of the Company designated as set forth on the face hereof (herein called the “Notes”), initially limited in aggregate principal amount to €1,000,000,000.

The Company will have the right, at its option, to redeem any of the Notes in whole or in part, at any time or from time to time prior to April 6, 2024 (one month prior to the maturity date of the Notes) (the “Par Call Date”) at a Redemption Price (calculated by the Company) equal to the greater of (i) 100% of the principal amount of such Notes being redeemed and (ii) the sum of the present values of the Remaining Scheduled Payments (as defined below) of principal and interest thereon (exclusive of interest accrued to the date of redemption), assuming for such purpose that the Notes matured on the Par Call Date, discounted to the Redemption Date on an annual basis (ACTUAL/ACTUAL (ICMA)) at the applicable Comparable Government Bond Rate (as defined below) plus 15 basis points, plus, in each case, accrued and unpaid interest thereon to, but not including, the date of redemption. The Company shall make all calculations relating to the Redemption Price.

The Company will have the right, at its option, to redeem any of the Notes in whole or in part, at any time or from time to time on or after the Par Call Date, at a Redemption Price equal to 100% of the principal amount of the Notes being redeemed, plus accrued and unpaid interest thereon to, but not including, the date of redemption.

Except as otherwise provided herein, redemption of the Notes shall be made in accordance with the terms of Article 11 of the Indenture.

“Comparable Government Bond Rate” means, with respect to any Redemption Date, the price, expressed as a percentage (rounded to three decimal places, with 0.0005 being rounded upwards), at which the gross redemption yield on the Notes, if they were to be purchased at such price on the third Business Day prior to the date fixed for redemption, would be equal to the gross redemption yield on such Business Day of the Comparable Government Bond (as defined below) on the basis of the middle market price of the Comparable Government Bond prevailing at 11:00 a.m. (London time) on such Business Day as determined by an independent investment bank selected by the Company.

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“Comparable Government Bond” means, in relation to any Comparable Government Bond Rate calculation, at the discretion of an independent investment bank selected by the Company, a German government bond whose maturity is closest to the maturity of the Notes, assuming for such purpose that the Notes matured on the Par Call Date, or if such independent investment bank in its discretion considers that such similar bond is not in issue, such other German government bond as such independent investment bank may, with the advice of three brokers of, and/or market makers in, German government bonds selected by the Company, determine to be appropriate for determining the Comparable Government Bond Rate.

“Remaining Scheduled Payments” means, with respect to each Note to be redeemed, the remaining scheduled payments of the principal thereof and interest thereon that would be due after the related Redemption Date but for such redemption, assuming for such purpose that such Note matured on the Par Call Date; provided, however, that, if such Redemption Date is not an Interest Payment Date with respect to such Note, the amount of the next succeeding scheduled interest payment thereon will be deemed to be reduced by the amount of interest accrued thereon to such Redemption Date.

On and after the Redemption Date, interest will cease to accrue on the Notes or any portion thereof called for redemption (unless the Company defaults in the payment of the Redemption Price and accrued interest). On or before the Redemption Date, the Company will deposit with the Trustee or its agent money sufficient to pay the Redemption Price of and (unless the redemption date shall be an Interest Payment Date) accrued and unpaid interest to the Redemption Date on the Notes to be redeemed on such date. If less than all of the Notes are to be redeemed, the Notes to be redeemed shall be selected in accordance with applicable Depositary procedures. Additionally, the Company may at any time repurchase Notes in the open market and may hold or surrender such Notes to the Trustee for cancellation.

If, as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated under the laws) of the United States (or any taxing authority in the United States), or any change in, or amendments to, an official position regarding the application or interpretation of such laws, regulations or rulings, which change or amendment is announced or becomes effective on or after April 29, 2020, the Company becomes or, based upon a written opinion of independent counsel selected by the Company, will become obligated to pay additional amounts as described below with respect to the Notes, then the Company may at any time at its option redeem, in whole, but not in part, the Notes at a Redemption Price equal to 100% of their principal amount, together with accrued and unpaid interest on those Notes to, but not including, the date fixed for redemption.

The Company will, subject to the exceptions and limitations set forth below, pay as additional interest on the Notes such additional amounts as are necessary in order that the net payment by the Company of the principal of and interest on the Notes to a Holder who is not a United States person (as defined below), after withholding or deduction for any present or future tax, assessment or other governmental charge imposed by the United States or a taxing authority in the United States, will not be less than the amount provided in the Notes to be then due and payable; provided, however, that the foregoing obligation to pay additional amounts shall not apply:

- (1) to any tax, assessment or other governmental charge that is imposed by reason of the Holder (or the beneficial owner for whose benefit such Holder holds such Note), or a fiduciary, settlor, beneficiary, member or shareholder of the Holder if the Holder is an estate, trust, partnership or corporation, or a person holding a power over an estate or trust administered by a fiduciary holder, being considered as:
  - (a) being or having been engaged in a trade or business in the United States or having or having had a permanent establishment in the United States;
  - (b) having a current or former connection with the United States (other than a connection arising solely as a result of the ownership of the Notes, the receipt of any payment or the enforcement of any rights hereunder), including being or having been a citizen or resident of the United States;
  - (c) being or having been a personal holding company, a passive foreign investment company or a controlled foreign corporation for United States federal income tax purposes or a corporation that has accumulated earnings to avoid United States federal income tax;
  - (d) being or having been a “10-percent shareholder” of the Company as defined in Section 871(h)(3) of the United States Internal Revenue Code of 1986, as amended (the “Code”) or any successor provision; or
  - (e) being a bank receiving payments on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business;
- (2) to any Holder that is not the sole beneficial owner of the Notes, or a portion of the Notes, or that is a fiduciary, partnership or limited liability company, but only to the extent that a beneficial owner with respect to the Holder, a beneficiary or settlor with respect to the fiduciary, or a beneficial owner or member of the partnership or limited liability company would not have been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment;
- (3) to any tax, assessment or other governmental charge that would not have been imposed but for the failure of the Holder or any other person to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the Holder or beneficial owner of the Notes, if compliance is required by statute, by regulation of the United States or any taxing authority therein or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge;

- (4) to any tax, assessment or other governmental charge that is imposed otherwise than by withholding by the Company or a Paying Agent from the payment;
- (5) to any tax, assessment or other governmental charge that would not have been imposed but for a change in law, regulation, or administrative or judicial interpretation that becomes effective more than 15 days after the payment becomes due or is duly provided for, whichever occurs later;
- (6) to any estate, inheritance, gift, sales, excise, transfer, wealth, capital gains or personal property tax or similar tax, assessment or other governmental charge;
- (7) to any tax, assessment or other governmental charge required to be withheld by any Paying Agent from any payment of principal of or interest on any Note, if such payment can be made without such withholding by at least one other Paying Agent;
- (8) to any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the Holder of any Note, where presentation is required, for payment on a date more than 30 days after the date on which payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;
- (9) to any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the beneficial owner being a bank (i) purchasing the Notes in the ordinary course of its lending business or (ii) that is neither (A) buying the Notes for investment purposes only nor (B) buying the Notes for resale to a third-party that either is not a bank or holding the Notes for investment purposes only;
- (10) to any tax, assessment or other governmental charge imposed under Sections 1471 through 1474 of the Internal Revenue Code (or any amended or successor provisions), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Internal Revenue Code or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such sections of the Internal Revenue Code; or
- (11) in the case of any combination of items (1), (2), (3), (4), (5), (6), (7), (8), (9) and (10).

The Notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable to the Notes. Except as noted above, the Company will not be required to make any payment for any tax, assessment or other governmental charge imposed by any government or a political subdivision or taxing authority of or in any government or political subdivision.

As used above, the term “United States” means the United States of America (including the states of the United States and the District of Columbia and any political subdivision thereof) and the term “United States person” means any individual who is a citizen or resident of the United States for U.S. federal income tax purposes, a corporation, partnership or other entity created or organized in or under the laws of the United States, any state of the United States or the District of Columbia (other than a partnership that is not treated as a United States person under any applicable Treasury regulations), or any estate or trust the income of which is subject to United States federal income taxation regardless of its source.

Notice of any redemption will be transmitted at least 10 days but not more than 60 days before the Redemption Date to each Holder of Notes to be redeemed (or delivered electronically in accordance with the procedures of the Depositary). If fewer than all of the Notes are to be redeemed, the particular Notes to be redeemed, in the case of Notes in global form, shall be selected in accordance with the procedures of the Depositary. In the case of physical Notes in definitive form, such selection shall be done by the Trustee by lot. If any Note is to be redeemed only in part, the notice of redemption that relates to such Note shall state the principal amount thereof to be redeemed. A new Note in principal amount equal to and in exchange for the unredeemed portion of the principal of the Note surrendered may be issued in the name of the Holder of the Note upon surrender of the original Note.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in aggregate principal amount of the Securities at the time Outstanding of each series to be affected by such amendment or modification. The Indenture also contains provisions permitting the Holders of a majority in aggregate principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued upon registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note.

The Indenture contains provisions setting forth certain conditions to the institution of proceedings by Holders of Securities with respect to the Indenture or for any remedy under the Indenture.

If an Event of Default with respect to the Notes shall occur and be continuing, the principal amount hereof may be declared due and payable or may be otherwise accelerated in the manner and with the effect provided in the Indenture.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note is registerable in the Security Register, upon surrender of this Note for registration of transfer at the office or agency of the Company in any Place of Payment duly endorsed, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed, by the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Notes, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Notes are issuable only in registered form without coupons in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof. As provided in the Indenture and subject to certain limitations therein set forth, this Note is exchangeable for certificated notes in definitive form of like tenor in minimum denominations of €100,000 principal amount and integral multiples of €1,000 in excess thereof if (i) the Depositary provides notification that it is unwilling, unable or no longer qualified to continue as depositary for the global notes and a successor is not appointed within 90 days; (ii) the Company in its discretion at any time determines not to have all the Notes represented by the global note; or (iii) default entitling the Holders of Notes to accelerate the maturity thereof has occurred and is continuing. Any Note that is exchangeable as above is exchangeable for certificated notes issuable in authorized denominations and registered in such names as the common depositary shall direct. Subject to the foregoing, a global note is not exchangeable, except for a global note of the same aggregate denomination to be registered in the name of the common depositary (or its nominee).

Payments (including principal, interest and any additional amounts) and transfers with respect to the Notes in certificated form may be executed at the office or agency maintained for such purpose within the City of London (initially the office of the Paying Agent maintained for such purpose) or, at the Company's option, by check mailed to the Holders thereof at the respective addresses set forth in the register of Holders of the Notes, provided that all payments (including principal, interest and any additional amounts) on certificated notes, for which the Holders thereof have given wire transfer instructions, will be required to be made by wire transfer of immediately available funds to the accounts specified by the Holders thereof.

No service charge shall be made for any such registration or transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to the presentment of this Note for registration of transfer, the Company, the Trustee, and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Note is overdue, and neither the Company, the Trustee, nor any such agent shall be affected by notice to the contrary.

This Note may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but all of which shall together constitute but one and the same instrument. The signature of any officer on this Note may be manual or facsimile (including, for the avoidance of doubt, electronic). The seal of the Company may be in the form of a facsimile thereof and may be impressed, affixed, imprinted, or otherwise reproduced on this Note. The Company and the Trustee, and each Holder of this Note by its acceptance hereof, acknowledge that for purposes of the Indenture, manually affixing a signature by electronic means shall constitute a manual signature.



All terms used in this Note which are defined in the Indenture and are not otherwise defined herein shall have the meanings assigned to them in the Indenture.

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

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[PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE]

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[PLEASE PRINT OR TYPE NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE]

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the within Note and all rights thereunder, hereby irrevocably constituting and appointing \_\_\_\_\_ attorney to transfer such Note on the books of the Issuer, with full power of substitution in the premises.

Dated: \_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within Note in every particular without alteration or enlargement or any change whatsoever.

**[Form of 0.500% Senior Note due 2028]**

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF EUROCLEAR BANK, S.A./N.V., AS OPERATOR OF THE EUROCLEAR SYSTEM ("EUROCLEAR") AND CLEARSTREAM BANKING, SOCIÉTÉ ANONYME ("CLEARSTREAM," AND TOGETHER WITH EUROCLEAR, "EUROCLEAR / CLEARSTREAM"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF THE BANK OF NEW YORK DEPOSITORY (NOMINEES) LIMITED OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF EUROCLEAR / CLEARSTREAM (AND ANY PAYMENT IS MADE TO THE BANK OF NEW YORK DEPOSITORY (NOMINEES) LIMITED OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF EUROCLEAR / CLEARSTREAM), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL IN AS MUCH AS THE REGISTERED OWNER HEREOF, THE BANK OF NEW YORK DEPOSITORY (NOMINEES) LIMITED, HAS AN INTEREST HEREIN.

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**PEPSICO, INC.****0.500% SENIOR NOTE DUE 2028**

PEPSICO, INC., a corporation in existence under the laws of the State of North Carolina (herein called the “Company,” which term includes any successor corporation under the Indenture referred to on the reverse hereof), for value received, hereby promises to pay to The Bank of New York Depository (Nominees) Limited, as nominee of The Bank of New York Mellon, London Branch, a common depository for Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme, the principal sum of € on May 6, 2028, and to pay interest on said principal sum annually on May 6 of each year, commencing May 6, 2021, at the rate of 0.500% per annum from May 6, 2020, or from the most recent date in respect of which interest has been paid or duly provided for, until payment of the principal sum has been made or duly provided for. The interest so payable and punctually paid or duly provided for on any Interest Payment Date will, as provided in the Indenture, be paid to the Person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on the Record Date for such Interest Payment Date, which shall be the April 22 (whether or not a Business Day) next preceding such Interest Payment Date. Any such interest that is payable but is not so punctually paid or duly provided for shall forthwith cease to be payable to the registered Holder on such Record Date and may either be paid to the Person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Notes not earlier than 10 days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of the Nasdaq Bond Exchange (“Nasdaq”) on which the Notes are expected to be listed and upon such notice as may be required by Nasdaq, if such manner of payment shall be deemed practical by the Trustee, all as more fully provided in the Indenture.

Interest will be computed on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the date from which interest begins to accrue for the period (or from May 6, 2020 if no interest has been paid on the Notes) to, but excluding, the next scheduled Interest Payment Date. This payment convention is referred to as ACTUAL/ACTUAL (ICMA) as defined in the rulebook of the International Capital Markets Association.

“Business Day” means any day, other than a Saturday or Sunday, (1) which is not a day on which banking institutions in the City of New York or the City of London are authorized or required by law or executive order to close and (2) on which the Trans-European Automated Real-time Gross Settlement Express Transfer system (the TARGET2 system), or any successor thereto, operates. If any Interest Payment Date, the maturity date or any Redemption Date is not a Business Day, then the related payment for such Interest Payment Date, maturity date or Redemption Date shall be paid on the next succeeding Business Day with the same force and effect as if made on such Interest Payment Date, maturity date or Redemption Date, as the case may be, and no further interest shall accrue as a result of such delay.

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Payment of the principal of and interest on this Note will be made at the Place of Payment; provided, however, that payments of interest may be made at the option of the Company by funds transmitted to the addresses of the Persons entitled thereto as such addresses shall appear in the Security Register.

Principal and interest payments, including payments made upon any redemption, in respect of this Note will be payable in euro. If the euro is unavailable to the Company due to the imposition of exchange controls or other circumstances beyond the Company's control or if the euro is no longer being used by the then member states of the European Monetary Union that have adopted the euro as their currency or for the settlement of transactions by public institutions of or within the international banking community, then all payments in respect of this Note will be made in U.S. dollars until the euro is again available to the Company and so used. In such circumstances, the amount payable on any date in euro will be converted into U.S. dollars on the basis of the then most recently available market exchange rate for euro, as determined by the Company in its sole discretion. Any payment in respect of this Note so made in U.S. dollars will not constitute an Event of Default under this Note or the Indenture. Neither the Trustee nor the Paying Agent shall be responsible for any calculation or conversion in connection with the foregoing.

Initially, The Bank of New York Mellon, London Branch will act as Paying Agent. The Company reserves the right at any time to vary or terminate the appointment of any Paying Agent, to appoint additional or other Paying Agents and to approve any change in the office through which any Paying Agent acts.

Reference is made to the further provisions of this Note set forth on the reverse hereof, which shall have the same effect as though fully set forth at this place. Unless the certificate of authentication hereon has been executed by or on behalf of the Trustee by manual signature, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed by manual or facsimile signature under its corporate seal or a facsimile thereof.

Dated: \_\_\_\_\_, 2020

PEPSICO, INC.

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

[seal]

Attest:  
\_\_\_\_\_

**TRUSTEE'S CERTIFICATE OF AUTHENTICATION**

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

The Bank of New York Mellon, as Trustee

By: \_\_\_\_\_  
Authorized Signatory

Dated: \_\_\_\_\_

[REVERSE OF NOTE]

**PEPSICO, INC.**

**0.500% SENIOR NOTE DUE 2028**

This Note is one of a duly authorized issue of debentures, notes or other evidences of indebtedness of the Company (herein called the "Securities"), issued and to be issued in one or more series under an Indenture, dated as of May 21, 2007 (herein called the "Indenture"), between the Company and The Bank of New York Mellon, as Trustee (herein called the "Trustee," which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights thereunder of the Company, the Trustee, and the Holders of the Securities, the terms upon which the Securities are, and are to be, authenticated and delivered, and the definition of capitalized terms used herein and not otherwise defined herein. The Securities may be issued in one or more series, which different series may be issued in various aggregate principal amounts, may be denominated in different currencies, may mature at different times, may bear interest (if any) at different rates (which rates may be fixed or variable), may be subject to different redemption provisions (if any), may be subject to different sinking, purchase, or analogous funds (if any), may be subject to different covenants and Events of Default, and may otherwise vary as provided in the Indenture. This Note is one of a series of Securities of the Company designated as set forth on the face hereof (herein called the "Notes"), initially limited in aggregate principal amount to €1,000,000,000.

The Company will have the right, at its option, to redeem any of the Notes in whole or in part, at any time or from time to time prior to February 6, 2028 (three months prior to the maturity date of the Notes) (the "Par Call Date") at a Redemption Price (calculated by the Company) equal to the greater of (i) 100% of the principal amount of such Notes being redeemed and (ii) the sum of the present values of the Remaining Scheduled Payments (as defined below) of principal and interest thereon (exclusive of interest accrued to the date of redemption), assuming for such purpose that the Notes matured on the Par Call Date, discounted to the Redemption Date on an annual basis (ACTUAL/ACTUAL (ICMA)) at the applicable Comparable Government Bond Rate (as defined below) plus 20 basis points, plus, in each case, accrued and unpaid interest thereon to, but not including, the date of redemption. The Company shall make all calculations relating to the Redemption Price.

The Company will have the right at its option to redeem any of the Notes in whole or in part, at any time or from time to time on or after the Par Call Date, at a Redemption Price equal to 100% of the principal amount of the Notes being redeemed, plus accrued and unpaid interest thereon to, but not including, the date of redemption.

Except as otherwise provided herein, redemption of the Notes shall be made in accordance with the terms of Article 11 of the Indenture.

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“Comparable Government Bond Rate” means, with respect to any Redemption Date, the price, expressed as a percentage (rounded to three decimal places, with 0.0005 being rounded upwards), at which the gross redemption yield on the Notes, if they were to be purchased at such price on the third Business Day prior to the date fixed for redemption, would be equal to the gross redemption yield on such Business Day of the Comparable Government Bond (as defined below) on the basis of the middle market price of the Comparable Government Bond prevailing at 11:00 a.m. (London time) on such Business Day as determined by an independent investment bank selected by the Company.

“Comparable Government Bond” means, in relation to any Comparable Government Bond Rate calculation, at the discretion of an independent investment bank selected by the Company, a German government bond whose maturity is closest to the maturity of the Notes, assuming for such purpose that the Notes matured on the Par Call Date, or if such independent investment bank in its discretion considers that such similar bond is not in issue, such other German government bond as such independent investment bank may, with the advice of three brokers of, and/or market makers in, German government bonds selected by the Company, determine to be appropriate for determining the Comparable Government Bond Rate.

“Remaining Scheduled Payments” means, with respect to each Note to be redeemed, the remaining scheduled payments of the principal thereof and interest thereon that would be due after the related Redemption Date but for such redemption, assuming for such purpose that such Note matured on the Par Call Date; provided, however, that, if such Redemption Date is not an Interest Payment Date with respect to such Note, the amount of the next succeeding scheduled interest payment thereon will be deemed to be reduced by the amount of interest accrued thereon to such Redemption Date.

On and after the Redemption Date, interest will cease to accrue on the Notes or any portion thereof called for redemption (unless the Company defaults in the payment of the Redemption Price and accrued interest). On or before the Redemption Date, the Company will deposit with the Trustee or its agent money sufficient to pay the Redemption Price of and (unless the redemption date shall be an Interest Payment Date) accrued and unpaid interest to the Redemption Date on the Notes to be redeemed on such date. If less than all of the Notes are to be redeemed, the Notes to be redeemed shall be selected in accordance with applicable Depository procedures. Additionally, the Company may at any time repurchase Notes in the open market and may hold or surrender such Notes to the Trustee for cancellation.

If, as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated under the laws) of the United States (or any taxing authority in the United States), or any change in, or amendments to, an official position regarding the application or interpretation of such laws, regulations or rulings, which change or amendment is announced or becomes effective on or after April 29, 2020, the Company becomes or, based upon a written opinion of independent counsel selected by the Company, will become obligated to pay additional amounts as described below with respect to the Notes, then the Company may at any time at its option redeem, in whole, but not in part, the Notes at a Redemption Price equal to 100% of their principal amount, together with accrued and unpaid interest on those Notes to, but not including, the date fixed for redemption.

The Company will, subject to the exceptions and limitations set forth below, pay as additional interest on the Notes such additional amounts as are necessary in order that the net payment by the Company of the principal of and interest on the Notes to a Holder who is not a United States person (as defined below), after withholding or deduction for any present or future tax, assessment or other governmental charge imposed by the United States or a taxing authority in the United States, will not be less than the amount provided in the Notes to be then due and payable; provided, however, that the foregoing obligation to pay additional amounts shall not apply:

- (1) to any tax, assessment or other governmental charge that is imposed by reason of the Holder (or the beneficial owner for whose benefit such Holder holds such Note), or a fiduciary, settlor, beneficiary, member or shareholder of the Holder if the Holder is an estate, trust, partnership or corporation, or a person holding a power over an estate or trust administered by a fiduciary holder, being considered as:
  - (a) being or having been engaged in a trade or business in the United States or having or having had a permanent establishment in the United States;
  - (b) having a current or former connection with the United States (other than a connection arising solely as a result of the ownership of the Notes, the receipt of any payment or the enforcement of any rights hereunder), including being or having been a citizen or resident of the United States;
  - (c) being or having been a personal holding company, a passive foreign investment company or a controlled foreign corporation for United States federal income tax purposes or a corporation that has accumulated earnings to avoid United States federal income tax;
  - (d) being or having been a “10-percent shareholder” of the Company as defined in Section 871(h)(3) of the United States Internal Revenue Code of 1986, as amended (the “Code”) or any successor provision; or
  - (e) being a bank receiving payments on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business;
- (2) to any Holder that is not the sole beneficial owner of the Notes, or a portion of the Notes, or that is a fiduciary, partnership or limited liability company, but only to the extent that a beneficial owner with respect to the Holder, a beneficiary or settlor with respect to the fiduciary, or a beneficial owner or member of the partnership or limited liability company would not have been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment;
- (3) to any tax, assessment or other governmental charge that would not have been imposed but for the failure of the Holder or any other person to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the Holder or beneficial owner of the Notes, if compliance is required by statute, by regulation of the United States or any taxing authority therein or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge;

- (4) to any tax, assessment or other governmental charge that is imposed otherwise than by withholding by the Company or a Paying Agent from the payment;
- (5) to any tax, assessment or other governmental charge that would not have been imposed but for a change in law, regulation, or administrative or judicial interpretation that becomes effective more than 15 days after the payment becomes due or is duly provided for, whichever occurs later;
- (6) to any estate, inheritance, gift, sales, excise, transfer, wealth, capital gains or personal property tax or similar tax, assessment or other governmental charge;
- (7) to any tax, assessment or other governmental charge required to be withheld by any Paying Agent from any payment of principal of or interest on any Note, if such payment can be made without such withholding by at least one other Paying Agent;
- (8) to any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the Holder of any Note, where presentation is required, for payment on a date more than 30 days after the date on which payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;
- (9) to any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the beneficial owner being a bank (i) purchasing the Notes in the ordinary course of its lending business or (ii) that is neither (A) buying the Notes for investment purposes only nor (B) buying the Notes for resale to a third-party that either is not a bank or holding the Notes for investment purposes only;
- (10) to any tax, assessment or other governmental charge imposed under Sections 1471 through 1474 of the Internal Revenue Code (or any amended or successor provisions), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Internal Revenue Code or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such sections of the Internal Revenue Code; or
- (11) in the case of any combination of items (1), (2), (3), (4), (5), (6), (7), (8), (9) and (10).

The Notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable to the Notes. Except as noted above, the Company will not be required to make any payment for any tax, assessment or other governmental charge imposed by any government or a political subdivision or taxing authority of or in any government or political subdivision.

As used above, the term “United States” means the United States of America (including the states of the United States and the District of Columbia and any political subdivision thereof) and the term “United States person” means any individual who is a citizen or resident of the United States for U.S. federal income tax purposes, a corporation, partnership or other entity created or organized in or under the laws of the United States, any state of the United States or the District of Columbia (other than a partnership that is not treated as a United States person under any applicable Treasury regulations), or any estate or trust the income of which is subject to United States federal income taxation regardless of its source.

Notice of any redemption will be transmitted at least 10 days but not more than 60 days before the Redemption Date to each Holder of Notes to be redeemed (or delivered electronically in accordance with the procedures of the Depositary). If fewer than all of the Notes are to be redeemed, the particular Notes to be redeemed, in the case of Notes in global form, shall be selected in accordance with the procedures of the Depositary. In the case of physical Notes in definitive form, such selection shall be done by the Trustee by lot. If any Note is to be redeemed only in part, the notice of redemption that relates to such Note shall state the principal amount thereof to be redeemed. A new Note in principal amount equal to and in exchange for the unredeemed portion of the principal of the Note surrendered may be issued in the name of the Holder of the Note upon surrender of the original Note.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in aggregate principal amount of the Securities at the time Outstanding of each series to be affected by such amendment or modification. The Indenture also contains provisions permitting the Holders of a majority in aggregate principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued upon registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note.

The Indenture contains provisions setting forth certain conditions to the institution of proceedings by Holders of Securities with respect to the Indenture or for any remedy under the Indenture.

If an Event of Default with respect to the Notes shall occur and be continuing, the principal amount hereof may be declared due and payable or may be otherwise accelerated in the manner and with the effect provided in the Indenture.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note is registerable in the Security Register, upon surrender of this Note for registration of transfer at the office or agency of the Company in any Place of Payment duly endorsed, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed, by the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Notes, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Notes are issuable only in registered form without coupons in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof. As provided in the Indenture and subject to certain limitations therein set forth, this Note is exchangeable for certificated notes in definitive form of like tenor in minimum denominations of €100,000 principal amount and integral multiples of €1,000 in excess thereof if (i) the Depositary provides notification that it is unwilling, unable or no longer qualified to continue as depositary for the global notes and a successor is not appointed within 90 days; (ii) the Company in its discretion at any time determines not to have all the Notes represented by the global note; or (iii) default entitling the Holders of Notes to accelerate the maturity thereof has occurred and is continuing. Any Note that is exchangeable as above is exchangeable for certificated notes issuable in authorized denominations and registered in such names as the common depositary shall direct. Subject to the foregoing, a global note is not exchangeable, except for a global note of the same aggregate denomination to be registered in the name of the common depositary (or its nominee).

Payments (including principal, interest and any additional amounts) and transfers with respect to the Notes in certificated form may be executed at the office or agency maintained for such purpose within the City of London (initially the office of the Paying Agent maintained for such purpose) or, at the Company's option, by check mailed to the Holders thereof at the respective addresses set forth in the register of Holders of the Notes, provided that all payments (including principal, interest and any additional amounts) on certificated notes, for which the Holders thereof have given wire transfer instructions, will be required to be made by wire transfer of immediately available funds to the accounts specified by the Holders thereof.

No service charge shall be made for any such registration or transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to the presentment of this Note for registration of transfer, the Company, the Trustee, and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Note is overdue, and neither the Company, the Trustee, nor any such agent shall be affected by notice to the contrary.

This Note may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but all of which shall together constitute but one and the same instrument. The signature of any officer on this Note may be manual or facsimile (including, for the avoidance of doubt, electronic). The seal of the Company may be in the form of a facsimile thereof and may be impressed, affixed, imprinted, or otherwise reproduced on this Note. The Company and the Trustee, and each Holder of this Note by its acceptance hereof, acknowledge that for purposes of the Indenture, manually affixing a signature by electronic means shall constitute a manual signature.

All terms used in this Note which are defined in the Indenture and are not otherwise defined herein shall have the meanings assigned to them in the Indenture.

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

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[PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE]

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[PLEASE PRINT OR TYPE NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE]

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the within Note and all rights thereunder, hereby irrevocably constituting and appointing \_\_\_\_\_ attorney to transfer such Note on the books of the Issuer, with full power of substitution in the premises.

Dated: \_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within Note in every particular without alteration or enlargement or any change whatsoever.

**New York**  
**Northern California**  
**Washington DC**  
**São Paulo**  
**London**

**Paris**  
**Madrid**  
**Tokyo**  
**Beijing**  
**Hong Kong**



Davis Polk & Wardwell LLP  
450 Lexington Avenue  
New York, NY 10017

212 450 4000 tel  
212 701 5800 fax

May 6, 2020

PepsiCo, Inc.  
700 Anderson Hill Road  
Purchase, NY 10577

Ladies and Gentlemen:

We have acted as special counsel for PepsiCo, Inc. (the "Company"), a North Carolina corporation, in connection with the Registration Statement on Form S-3 (File No. 333-234767) (the "Registration Statement") filed by the Company with the Securities and Exchange Commission (the "Commission") pursuant to the Securities Act of 1933, as amended (the "Securities Act"), for the registration by the Company of €1,000,000,000 aggregate principal amount of its 0.250% Senior Notes due 2024 (the "2024 Notes") and €1,000,000,000 aggregate principal amount of its 0.500% Senior Notes due 2028 (the "2028 Notes," and together with the 2024 Notes, the "Notes"). The Notes are to be issued pursuant to an Indenture (the "Indenture") dated as of May 21, 2007 between the Company and The Bank of New York Mellon, as trustee, and to be sold pursuant to a Terms Agreement dated as of April 29, 2020 (incorporating the PepsiCo, Inc. Underwriting Agreement Standard Provisions dated as of November 18, 2019, the "Terms Agreement") among the Company and the several underwriters named therein.

We, as your counsel, have examined originals or copies of such documents, corporate records, certificates of public officials and other instruments as we have deemed necessary or advisable for the purpose of rendering this opinion.

In rendering the opinion expressed herein, we have, without independent inquiry or investigation, assumed that (i) all documents submitted to us as originals are authentic and complete; (ii) all documents submitted to us as copies conform to authentic, complete originals; (iii) all documents filed as exhibits to the Registration Statement that have not been executed will conform to the forms thereof; (iv) all signatures on all documents that we reviewed are genuine; (v) all natural persons executing documents had and have the legal capacity to do so; (vi) all statements in certificates of public officials and officers of the Company that we reviewed were and are accurate; and (vii) all representations made by the Company as to matters of fact in the documents that we reviewed were and are accurate.

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Based upon the foregoing, and subject to the additional assumptions and qualifications set forth below, we advise you that, in our opinion, when the Notes have been duly executed, authenticated, issued and delivered in accordance with the Indenture and the Terms Agreement against payment therefor, the Notes will constitute valid and binding obligations of the Company, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability, provided that we express no opinion as to (x) the enforceability of any waiver of rights under any usury or stay law and (y) the effect of fraudulent conveyance, fraudulent transfer or similar provision of applicable law on the conclusions expressed above.

In connection with the opinion expressed above, we have assumed that (i) the Registration Statement became effective upon filing with the Commission and such effectiveness shall not have been terminated or rescinded; and (ii) the Indenture and the Notes are valid, binding and enforceable agreements of each party thereto (other than as expressly covered above in respect of the Company). We have also assumed that the execution, delivery and performance of the Indenture and the Notes by the Company (x) have been duly authorized in accordance with the laws of the State of North Carolina and (y) will not violate any applicable law or public policy or result in a violation of any provision of any instrument or agreement binding upon the Company, or any restriction imposed by any court or governmental body having jurisdiction over the Company.

We are members of the Bar of the State of New York, and the foregoing opinion is limited to the laws of the State of New York.

We hereby consent to the filing of this opinion as an exhibit to a Current Report on Form 8-K to be filed by the Company on the date hereof and to its incorporation by reference into the Registration Statement. In addition, we consent to the reference to our name under the caption "Legal Opinions" in the preliminary prospectus supplement dated April 29, 2020 and the prospectus supplement dated April 29, 2020, and under the caption "Validity of Securities" in the prospectus dated November 18, 2019, each of which is a part of the Registration Statement. In giving this consent, we do not admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Very truly yours,

/s/ Davis Polk & Wardwell LLP

May 6, 2020

PepsiCo, Inc.  
700 Anderson Hill Road  
Purchase, New York 10577

Ladies and Gentlemen:

We have acted as special North Carolina counsel to PepsiCo, Inc., a North Carolina corporation (the "Company") in connection with the Registration Statement on Form S-3 (File No. 333-234767) (the "Registration Statement") filed by the Company with the Securities and Exchange Commission (the "Commission") pursuant to the Securities Act of 1933, as amended (the "1933 Act"), for the registration by the Company of €1,000,000,000 aggregate principal amount of its 0.250% Senior Notes due 2024 (the "2024 Notes") and €1,000,000,000 aggregate principal amount of its 0.500% Senior Notes due 2028 (the "2028 Notes," and together with the 2024 Notes, the "Notes"). The Notes are to be issued pursuant to an Indenture (the "Indenture") dated as of May 21, 2007 between the Company and The Bank of New York Mellon, as trustee, and to be sold pursuant to a Terms Agreement dated as of April 29, 2020 (incorporating the PepsiCo, Inc. Underwriting Agreement Standard Provisions dated as of November 18, 2019, the "Terms Agreement") among the Company and the several underwriters named therein. This opinion is delivered to you pursuant to Item 16 of Form S-3 and Item 601(b)(5) of Regulation S-K of the Commission. This opinion is being furnished in accordance with the requirements of Item 601(b)(5) of Regulation S-K under the 1933 Act, and no opinion is expressed herein as to any matter pertaining to the contents of the Registration Statement, the prospectus or any prospectus supplement other than as expressly stated herein with respect to the issuance of the Notes.

As the Company's special North Carolina counsel, we have examined originals or copies, certified or otherwise identified to our satisfaction, of the Company's articles of incorporation and by-laws, each as amended to date, and minutes and records of the corporate proceedings of the Company relating to the filing of the Registration Statement and the issuance of the Notes, as provided to us by the Company, certificates of public officials and of representatives of the Company, and statutes and other instruments and documents, as a basis for the opinion hereinafter expressed. In rendering this opinion, we have relied upon certificates of public officials and representatives of the Company with respect to the accuracy of the factual matters contained in such certificates.

In connection with such examination, we have assumed (a) the genuineness of all signatures and the legal capacity of all signatories; (b) the authenticity of all documents submitted to us as originals and the conformity to original documents of all documents submitted to us as certified or photostatic copies; and (c) the proper issuance and accuracy of certificates of public officials and representatives of the Company.

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Based on and subject to the foregoing, we advise you that, in our opinion, the Indenture and the Notes have been duly authorized by all necessary corporate action of the Company, and have been duly executed and delivered by the Company.

This opinion is limited to the laws of the State of North Carolina, and we are expressing no opinion as to the effect of the laws of any other jurisdiction.

This opinion is rendered as of the date hereof, and we undertake no obligation to advise you of any changes in applicable law or any other matters that may come to our attention after the date hereof.

We hereby consent to the filing of this opinion as an exhibit to a Current Report on Form 8-K to be filed by the Company on the date hereof and to its incorporation by reference into the Registration Statement. In addition, we consent to any reference to the name of our firm under the caption "Legal Opinions" in the preliminary prospectus supplement dated April 29, 2020 and the prospectus supplement dated April 29, 2020, and under the caption "Validity of Securities" in the prospectus dated November 18, 2019, each of which is a part of the Registration Statement. In giving this consent, we do not admit that we are in the category of persons whose consent is required under Section 7 of the 1933 Act or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ WOMBLE BOND DICKINSON (US) LLP

WOMBLE BOND DICKINSON (US) LLP