

The PepsiCo Retiree Health Care Program

Retiree Reimbursement Account (RRA) Summary Plan Description

This booklet describes the PepsiCo Retiree Reimbursement Account (“RRA” or “the Plan”), which is available to certain retirees and their spouses/partners who are over age 65, eligible for subsidized coverage under the PepsiCo Retiree Health Care Program, and enroll in individual medical coverage through OneExchange.¹

You owe it to yourself to understand how your benefits work; we suggest you read the following pages carefully. If you have any questions about this booklet or certain provisions of your benefit plan, contact OneExchange at 1-855-241-5717 (TTY: 711) from 8:00 a.m. to 9:00 p.m., Eastern Time, Monday through Friday. Representatives can answer questions or guide you through specific plan details.

This booklet provides the Summary Plan Description (SPD) for the plan year beginning as of January 1, 2015. It applies to certain eligible post-65 PepsiCo retirees and their eligible post-65 spouses/partners from the following divisions and subsidiaries of PepsiCo, Inc.:

- ▶ Pepsi-Cola North American PCNA (Salaried) retirees who retired on or after January 1, 1989
- ▶ PepsiCo Corporate - Retirement date on or after January 1, 1989
- ▶ Pepsi Beverages International PBI - Retirement date on or after January 1, 1989
- ▶ Pepsi Food Services PFS - Retirement date on or after January 1, 1989
- ▶ Frito-Lay (Salaried) retirees who retired on or after January 1, 1994
- ▶ Frito Lay Cleveland Warehouse Retirement date on or after July 2, 2013
- ▶ Frito Lay International - Retirement date on or after January 1, 1994
- ▶ Quaker (Salaried) retirees who retired on or after January 1, 1989
- ▶ Quaker Hourly who retire on or after the date listed below for the following locations:
 - Quaker - Hourly Tolleson Retirement date on or after January 1, 2003
 - Quaker - Hourly Mountain Top - Retirement date on or after January 1, 2004
 - Quaker - Hourly Cedar RWDSU and Cedar Crafts - Retirement date on or after January 1, 1991
 - Quaker - Hourly Kissimmee - Retirement date on or after January 1, 1992
 - Quaker - Hourly Danville & Bridgeview - Retirement date on or after January 1, 1995
 - Quaker - Manhattan, Shiremanstown, Fullerton, St Joseph - Retirement date on or after January 1, 1989
 - Quaker - Hourly Dallas - Retirement date on or after January 1, 1989
 - Quaker - Hourly Indianapolis - Retirement date on or after January 1, 1993
- ▶ Tropicana (Salaried) retirees who retired on or after January 1, 1994
- ▶ Tropicana Hourly who retire on or after the date listed below for the following locations:
 - Tropicana - Teamsters Local 173 - Retirement on or after January 2, 2004
 - Tropicana - Mould Makers Local 46 - Retirement on or after December 2, 2002
 - Tropicana - City of Industry Teamster 848 - Retirement on or after January 2, 1994

¹ Retirees and spouse/partners enrolled in PepsiCo’s Prescription Drug Only Plan at the time they transition to OneExchange may elect prescription drug only coverage through OneExchange to qualify for the RRA in 2015. Individual medical or prescription drug insurance coverage is defined as a Medicare Advantage plan, a Medicare Supplement plan (also known as a Medigap plan) and/or a Medicare Part D plan.

- ▶ Legacy Pepsi Bottling Group (PBG) who retired on or after January 1, 1993²
- ▶ Legacy PBG Pre-1992 ALPAC Retirees/Spouse
- ▶ Legacy PBG union Teamsters Local 125 - Retirement date on or after June 1, 2001
- ▶ Legacy PBG union St. Louis Local 0303 - Retirement date on or after January 1, 2005
- ▶ Legacy PBG union St. Louis Local 0688 - Retirement date on or after July 1, 1993
- ▶ Legacy PepsiAmericas (PAS) who retired on or after July 1, 1989.³

For the purposes of this SPD booklet, the above eligible post-65 Medicare-eligible PepsiCo retirees will be referred to as “retirees” and their eligible post-65 spouses/partners as “spouses/partners.”

This booklet does not apply to PepsiCo retirees and spouses/partners who have not attained their 65th birthday. Those retirees and spouses/partners should reach out to The PepsiCo Savings and Retirement Center at Fidelity at 1-800-632-2014 to learn about what benefits may be available for them.

This SPD is intended to provide a summary of the major provisions of the RRA in which you may be eligible to participate. Your benefits are described as clearly as possible with minimal use of technical words and phrases appearing in the official plan documents. However, this SPD is not intended to augment rights provided under the terms of the official plan documents.

The Plan described in this SPD is intended to be continued; however, PepsiCo, Inc. (the Plan’s sponsor) reserves the right at any time, at its discretion, to amend, modify, reduce, discontinue or terminate the Plan.

Participation in the Plan should not, and may not, be viewed as a contract or promise of continued benefits.

² For purposes of retiree medical insurance, you will be classified as a legacy PBG employee/retiree if you retired from PBG prior to its acquisition by PepsiCo or you were employed by PBG prior to the acquisition by PepsiCo and retired after the acquisition. Special intra-company transfer rules may also apply.

³ For purposes of retiree medical insurance, you will be classified as a legacy PAS employee/retiree if you retired from PAS prior to its acquisition by PepsiCo or you were employed by PAS prior to the acquisition by PepsiCo and retired after the acquisition. Special intra-company transfer rules may also apply. This will include PAS Heartland, Whitman and access only. The grandfathered Milwaukee populations are excluded from the benefit described in this SPD.

Table of Contents

Overview	6
Enrolling in Coverage and Ongoing Support	6
Deferring Coverage.....	6
RRA Eligibility & Coverage.....	7
Eligibility for You	7
Eligibility for Your Spouse/Partner	7
Domestic Partner Eligibility	8
Retirees Not Eligible for the RRA.....	10
When RRA Participation Begins	10
When RRA Participation Ends	10
When Your Spouse/Partner Will Cease Being Eligible for an RRA	11
In the Case of Non-Payment of Individual Insurance Premiums	11
In the Case of Death.....	11
If You and Your Spouse/Partner are Both PepsiCo Retirees	12
RRA Funding	13
PepsiCo's Contribution to the RRA.....	13
RRA Eligible Expenses	15
Managing Your RRA.....	17
Automatic Premium Reimbursement	17
If Your Claim for Benefits is Denied	17
Overpayment from a Claim or Reimbursement Error	18
Access and Manage Your RRA Online.....	18
If PepsiCo Discontinues the RRA	19
Additional Retiree Reimbursement Account Funding	20
Temporary Transition Reimbursement for Certain Prescription Drug and Hearing Aid Expenses	20
Eligible Expenses.....	20
Plan Sponsor Information	21
Plan Administrator	21
Agent for Service of Legal Process	21
Union Agreements	22
Cooperation with the Plan and Claims Administrators.....	22
Claiming Benefits.....	22
Eligibility Claims.....	23
Exhaustion of Administrative Remedies	23
Limitations on Court Actions	24
Exclusive Venue	24

HIPAA Privacy Notice	24
Other Administrative Facts	25
COBRA Continuation Coverage.....	25
COBRA Continuation Coverage Participation.....	25
The COBRA Continuation Coverage Period Chart.....	26
Termination of COBRA Continuation Coverage	26
Contacting PepsiCo	26
Keep Us Informed of Address Changes	27
Plan Termination and Amendment	27
Your Rights under ERISA	27
Receive Information about Your Plan and Benefits	27
Continue Group Health Plan Coverage	28
Prudent Actions by Plan Fiduciaries	28
Enforce Your Rights.....	28
Assistance with Your Questions	28

Overview

Effective January 1, 2015, PepsiCo provides eligible post-65 retirees and their spouse/partners with access to a private Medicare marketplace, also called an exchange, where they can shop for the individual plans that best meet their needs and budget.

For those eligible, PepsiCo will provide financial support in the form of a contribution to a Retiree Reimbursement Account, or RRA, which can be used to pay premiums for an individual plan or for other eligible out-of-pocket health care expenses. Additional information about the RRA begins on the next page.

Enrolling in Coverage and Ongoing Support

Eligible post-65 retirees and their eligible post-65 spouses/partners can enroll in individual medical, prescription drug, dental and vision coverage through OneExchange.

A retiree or spouse/partner who turns age 65 during the year must first take steps to enroll in Medicare Parts A and B. Then, he/she can enroll in individual insurance coverage through OneExchange.

To contact OneExchange, call 1-855-241-5717 (TTY: 711) from 8:00 a.m. to 9:00 p.m., Eastern Time, Monday through Friday. Or, visit www.medicare.oneexchange.com/pepsico.

Important note: Any individual Medicare supplemental, Medicare Advantage or Medicare Part D plans or policies purchased through OneExchange and reimbursed or paid from your RRA are not ERISA benefits and are not part of the PepsiCo Retiree Health Care Program. Only the RRA, which is described in this SPD, is part of the PepsiCo Retiree Health Care Program. The RRA is intended to qualify as a self-insured medical reimbursement plan for purposes of Sections 105 and 106 of the Internal Revenue Code, as amended (“Code”), as well as a retiree reimbursement account as defined in IRS Notice 2002-45.

To obtain information concerning the operation, procedures, eligibility, coverage, terms and conditions of any individual Medicare supplemental, Medicare Advantage or Medicare Part D plans or policies, you must contact the insurance carrier of those individual plans or policies or OneExchange.

Deferring Coverage

Retirees are not required to enroll in medical or other insurance through OneExchange. However, to be eligible for the Retiree Reimbursement Account (RRA) and the related contributions, you must enroll in medical and/or prescription drug coverage through OneExchange. If you and/or your spouse/partner do enroll through OneExchange and subsequently drop coverage, or are dropped from coverage by a carrier for non-payment, you will have one opportunity to re-enroll and have your eligibility for the RRA re-instated. If you drop coverage, or are dropped from coverage, a second time, you will not be permitted to re-enroll a second time, and you will lose eligibility for the RRA permanently.

RRA Eligibility & Coverage

As of January 1, 2015, PepsiCo provides financial support for retiree medical coverage for eligible post-65 retirees and their spouses/partners in the form of a contribution to a Retiree Reimbursement Account (RRA). RRA funds can be used for reimbursement of eligible health care expenses, including medical plan premiums, when enrolled in an individual medical plan through OneExchange*.

PepsiCo is the Plan administrator and has entered into an arrangement with OneExchange under which OneExchange will process reimbursements and provide certain other administrative services pertaining to the Plan.

Eligibility for You

You are eligible for an RRA if you satisfy all of the following:

- Are classified as a post-65 Medicare-eligible retiree,
- Were classified as eligible for a contribution from PepsiCo to help pay for your retiree medical coverage under the PepsiCo Retiree Health Care Program as of December 31, 2014,
- Are eligible for, and enrolled in, Medicare Part A and Part B, and
- Enroll in individual medical coverage through OneExchange by December 31, 2014 or when you become eligible at a later date (i.e., your 65th birthday). Note that if you enroll during the year, your RRA is prorated based on the number of months remaining in that calendar year.⁴

You must continue your enrollment in OneExchange for each calendar year in order to receive that calendar year's RRA contribution. After your initial active enrollment through OneExchange, enrollment in subsequent years becomes passive. Provided you remain current on your payments, your enrollment will generally continue in the plan(s) you originally elected without your needing to re-enroll, assuming your individual health insurance plan continues to be available.

Eligibility for Your Spouse/Partner

Your spouse/partner is eligible for an RRA if he/she satisfies all of the following:

- Is classified as a post-age 65 Medicare-eligible spouse or domestic partner of an eligible retiree (i.e., not divorced),
- Was classified as eligible for a contribution from PepsiCo to help pay for your medical coverage under the PepsiCo Retiree Health Care Program as of December 31, 2014,
- Is eligible for, and enrolled in, Medicare Part A and Part B, and
- Enrolls in individual qualifying insurance coverage through OneExchange by December 31, 2014, or when you become eligible at a later date (i.e., your 65th birthday).

Your spouse/partner must continue enrollment in OneExchange for each calendar year in order to receive that calendar year's RRA contribution. After initial active enrollment through OneExchange, enrollment in subsequent years becomes passive. Provided your spouse/partner remains current on his/her payments, his/her enrollment will generally continue in the plan(s) he/she originally elected without needing to re-enroll, assuming your individual health insurance plan continues to be available.

Coverage is available for common-law spouses, provided your marriage was formed in a state that permits (or at a time when the state permitted) common-law marriage. Your common-law marriage must also be recognized as valid under the law of the state where you currently live.

⁴ Retirees and spouse/partners enrolled in PepsiCo's Prescription Drug Only Plan at the time they transition to OneExchange may elect prescription drug only coverage through OneExchange to qualify for the RRA in 2015. Individual medical or prescription drug insurance coverage is defined as a Medicare Advantage plan, a Medicare Supplement plan (also known as a Medigap plan) and/or a Medicare Part D plan.

Eligible same-sex spouses will be treated as a “spouse” for purposes of the plan. A same-sex spouse means your legal spouse with whom you have entered into a legal marriage in a state or foreign country that authorizes the legal marriage of two individuals of the same sex. (Civil unions are not considered marriages for this purpose.) For this purpose, your married status is not affected by residing in a state that does not authorize the marriage of same-sex individuals.

If you marry during the year and you are eligible to add a new spouse, it is your responsibility to call The PepsiCo Savings and Retirement Center at Fidelity at 1-800-632-2014 to report your marriage. Your spouse should also call OneExchange to make a medical plan election as soon as possible. If you were single when you transitioned to OneExchange and later marry for the first time, your spouse may be eligible for an RRA contribution. Any applicable RRA contribution will follow as soon as administratively possible thereafter, and will be prorated based on the initial enrollment date. Eligibility varies by legacy group. Please contact The PepsiCo Savings and Retirement Center at Fidelity for more information.

In the case of a divorce, your spouse’s RRA eligibility ends on the day the divorce is final. It is your responsibility to report the divorce to The PepsiCo Savings and Retirement Center at Fidelity at 1-800-632-2014 within 31 days of the final divorce decree. The same rule applies in the case of the termination of a civil union or domestic partner relationship.

Domestic Partner Eligibility

Same-sex domestic partners are eligible for an RRA if they meet certain requirements, depending upon the laws of your state of residency:

- If you live in a state that permits same-sex couples to marry, you and your partner will have to get married. In that event, your same sex spouse will be treated as a “spouse” for all purposes under the plan.
- If you live in a state that permits same-sex couples to enter into civil unions, you and your partner will have to enter into a civil union. Federal law does not permit civil union couples to be treated as spouses, and therefore, for purposes of the plan, your civil union partner will be treated as a domestic partner.
- If you live in a state that does not permit same-sex couples to marry or enter into civil unions, you and your partner will be required to execute a legally binding domestic partner agreement (see below) that has been notarized or witnessed by a third party.
- However, if you have previously enrolled your current domestic partner in Tropicana benefits prior to January 1, 2004, you will not be required to execute a domestic partner agreement to continue benefits eligibility.

(Special rules apply to legacy PAS retirees who retired prior to January 1, 2012. See below for additional information.)

In the future, if the right to marriage or a civil union is legally established where you live, you will then be required to marry or enter a civil union in order for your spouse/partner to remain, or become, eligible for benefits (regardless of whether your same-sex domestic partner was previously enrolled). You will need to enter into the legally available form of commitment before the next open enrollment cycle, or within 12 months of the effective date of the change in the law (whichever comes later) in order to continue to qualify for same-sex spouse/partner coverage. If you and your partner are legally married or enter into a civil union, a same-sex domestic partner agreement is not required. While a same-sex domestic partner agreement, civil union or marriage is required for eligibility for benefit coverage for your partner, the Company will not ask you to submit documentation for coverage to become effective. However, as in the case of marriage, the Company reserves the right to audit your and your spouse/partner eligibility for the

benefits and to request a copy of your same-sex domestic partner agreement (or civil union/marriage license where applicable) as proof of your spouse/partner's eligibility.

Special legacy PAS rules: Prior to January 1, 2012, special same-sex domestic partner eligibility rules applied to legacy PAS retirees. If you retired before January 1, 2012, and you enrolled your current same-sex domestic partner in retiree medical coverage prior to January 1, 2012, under the special rules, your same-sex domestic partner will remain eligible for retiree medical coverage and you will not be required to satisfy the above eligibility requirements. However, the special legacy PAS same-sex domestic partner rules no longer apply for retirements on or after January 1, 2012. Any legacy PAS retirees who retire on or after January 1, 2012, and who desire to enroll a same-sex domestic partner in retiree medical coverage must satisfy the above same-sex domestic partner rules.

Retirees Not Eligible for the RRA

You are not eligible to receive an RRA if any of the following applies:

- You were not eligible for a contribution from PepsiCo to help pay for your medical coverage under the PepsiCo Retiree Health Care Program as of December 31, 2014,⁵
- You do not enroll in qualifying insurance coverage through OneExchange, or
- You do not satisfy the eligibility rules discussed previously in this SPD.

In addition, you are not eligible for the RRA unless you are classified by PepsiCo as a former employee who satisfies the plan eligibility requirements, even if you are later determined by a court or governmental agency to be or to have been a former employee of PepsiCo. Any eligibility for the plan will commence prospectively from the date of the court or agency determination, even if the determination is retroactive.

When RRA Participation Begins

Your RRA contribution will be made on or around the first of the year or as soon as administratively possible after your enrollment date.

When RRA Participation Ends

You will cease being eligible for the RRA on the earliest of:

- The date you cease to be an eligible retiree for any reason,
- The date you are rehired by PepsiCo as an active employee (regular or supplemental) and for the duration of your active employment,
- The date you cease to be eligible for Medicare (unless your loss of eligibility is due to your living outside of the United States, in which case you will again become eligible for the RRA upon you return to the U.S.),
- Your date of death,
- The date you fail to cooperate with the plan or administrator with respect to the administration of your benefits,
- The date you engage in misrepresentation or fraud against the plan as provided below.
- The effective date of any amendment terminating your eligibility, or
- The date the RRA is terminated or discontinued.

Participation in the RRA will also end on the date you are no longer enrolled in qualifying individual insurance coverage through OneExchange. If you drop individual medical insurance coverage, you have only a single opportunity to re-enroll for coverage at a later date. After the second time you drop individual medical insurance coverage through OneExchange, you will cease being eligible for the RRA entirely.

You may not obtain reimbursement of any eligible expenses incurred prior to the effective date of coverage under OneExchange. Similarly, you may not obtain reimbursement of any eligible expenses incurred after the date your eligibility ceases, and you must submit all claims for expenses incurred while you were eligible for the RRA no later than six months following your loss of eligibility. Claims submitted after that time will not be reimbursed. Any funds remaining in your RRA after your eligibility ceases (and all qualifying expenses are reimbursed) will forfeit for those with individual RRAs (single retirees and retirees who are part of a Company couple and thus each have their own RRA account). However, if you have a joint RRA account and have a qualifying spouse/partner, your spouse/partner may use your RRA account after your death, as long as your spouse/partner remains RRA-eligible.

⁵ *Certain retirees and spouse/partners are eligible to access OneExchange and enroll for individual coverage, although they are not eligible for the RRA. OneExchange can provide more information at 1-855-241-5717.*

When Your Spouse/Partner Will Cease Being Eligible for an RRA

Your spouse/partner will cease being eligible for the RRA on the earliest of:

- The date your spouse/partner ceases to be an eligible spouse/partner for any reason,
- The date you and your spouse divorce or your partnership or civil union terminates,
- The effective date of any amendment terminating your spouse's/partner's eligibility under the RRA,
- The date you fail to cooperate with the plan or claims administrator with respect to the administration of your benefits,
- The date you engage in misrepresentation or fraud against the plan as provided below, or
- The date the RRA is terminated or discontinued.

Participation in the RRA will also end on the date your spouse/partner is no longer enrolled in qualifying individual insurance coverage through OneExchange. If he/she drops qualifying insurance coverage, or if he/she is dropped by an insurance carrier due to non-payment, he/she will have only a single opportunity to re-enroll for coverage at a later date. After the second time he/she drops qualifying insurance coverage through OneExchange, or he/she is dropped by an insurance carrier due to non-payment, he/she will cease being eligible for the RRA entirely.

Your spouse/partner may not obtain reimbursement of any eligible expenses incurred prior to the effective date of coverage under OneExchange. Similarly, your spouse/partner may not obtain reimbursement of any eligible expenses incurred after the date his/her eligibility ceases, and he/she must submit all claims for expenses incurred while he/she was eligible for the RRA no later than six months following his/her loss of eligibility. Claims submitted after that time will not be reimbursed. Assuming your spouse/partner is not also a PepsiCo retiree, any funds remaining in your joint RRA after your spouse/partner's eligibility ceases (and all qualifying expenses are reimbursed) will remain available for your use, as long as you remain RRA-eligible.

Your coverage and your spouse/partner's coverage may be terminated or suspended for engaging in misrepresentation or fraud against the plan, including filing, or participating in filing, a false, misleading or fraudulent claim for benefits.

In the Case of Non-Payment of Individual Insurance Premiums

You and/or your spouse/partner are ultimately responsible for all premium payments to insurance carriers. Even if these payments are quickly reimbursed, ensuring your insurance carriers receive timely payments of premiums is up to you. When you do not pay your insurance carrier promptly, you run the risk of being dropped from the plan, rendering you ineligible for reimbursement from your RRA. Any funds within the RRA when you are dropped from coverage will remain for use by your spouse/partner, as long as he/she remains RRA-eligible. If you are both dropped from coverage simultaneously, your RRA funds will be held in the RRA in your name if you are eligible to re-enroll for the plan. No additional funds will be added to the RRA until you re-enroll. If you are not eligible for re-enrollment, your RRA funds will be forfeited.

In the Case of Death

Unless you and your spouse/partner are both PepsiCo retirees, if you die, your spouse will be able to use any remaining RRA balance in your combined account. He/she will continue to receive his/her future RRA contributions, provided he/she continues to meet other eligibility requirements outlined above. The same approach applies in the case of your spouse's death.

Any RRA-eligible expenses associated with the deceased participant must be submitted to OneExchange by his/her estate or surviving spouse/partner within six months of the participant's death.

If you and your spouse/partner are both PepsiCo retirees, you will have separate RRA accounts and any remaining RRA balance upon your or your spouse's death will not transfer to you or your spouse.

If You and Your Spouse/Partner are Both PepsiCo Retirees

If you and your spouse/partner are both PepsiCo retirees eligible for an RRA, you will each receive a PepsiCo contribution (depending on your date of retirement) and have separate RRAs while you are both living.

RRA Funding

Once you become eligible for an RRA (as defined starting on page 15), OneExchange will set up an RRA on your behalf. Retirees and their post-65 spouses/partners will share one RRA, which will be established in the retiree's name. If you and your spouse/partner are both PepsiCo retirees, separate RRAs will be established in each of your names.

Note that the RRA is a "notional" account that's tracked for record-keeping purposes only. There are no actual funds held in your name, and the account is not portable. When the time comes to reimburse expenses on your behalf, the money comes out of PepsiCo's general funds.

The RRA can be funded only by PepsiCo. The law does not permit you to make any contributions to your RRA. Further, the RRA is not pre-funded and is not insured.

PepsiCo's Contribution to the RRA

The first day of each plan year, a fixed dollar allocation will be made to your RRA. The amount of your RRA contribution will vary based on your legacy group and your effective date of coverage through OneExchange (e.g., on January 1, 2015, or on the date of your 65th birthday or that of your eligible spouse/partner).

The amount of the contribution to your RRA was discussed in a letter sent to you previously by PepsiCo. If you need additional information about your contribution, contact OneExchange to learn more about your RRA contribution.

For Those Living in High Cost Areas

If you live in an area with high medical premiums, you may be eligible for an additional RRA contribution from PepsiCo in 2015 and 2016. The amount of the additional contribution will be tied to the premium charged for a Medicare supplemental "Plan K" policy where you live. If this additional contribution applies to you based on where you live, your OneExchange benefit advisor will provide more details when you enroll. You must qualify each year.

Temporary Transition Reimbursement for Certain Prescription Drug and Hearing Aid Expenses

The following benefit will be available annually to all RRA-eligible participants enrolled with OneExchange until December 31, 2019. If you or your covered spouse/partner have more than \$1,200 in out-of-pocket prescription drug and/or hearing aid expenses in a calendar year, you can each take advantage of a special temporary transition reimbursement that supplements the regular RRA contribution. You will need to submit paperwork to show that you have exceeded \$1,200 in prescription drug and/or hearing aid costs for the calendar year. Once qualified, OneExchange will reimburse any additional prescription drug and/or hearing aid costs up to \$5,000 for the remainder of that year. This is an annual benefit, which is available only until December 31, 2019. You and/or your eligible spouse/partner must remain enrolled with OneExchange, have at least \$1,200 in eligible out-of-pocket expenses for the calendar year and must submit the appropriate paperwork each calendar year to qualify for this temporary transition reimbursement. This additional contribution does not rollover to the following year. You must qualify each year.

Important Note: If you become eligible for an RRA after January 1 of any year, the amount of your RRA contribution for that year will be pro-rated based on the number of full months remaining in that calendar year, starting with the month of your coverage effective date.

You will receive a Balance Statement from OneExchange each January reflecting the amount of the contribution to your RRA for the upcoming plan year. You can also call OneExchange directly at 1-855-241-5717 (TTY: 711) from 8:00 a.m. to 9:00 p.m., Eastern Time, Monday through Friday. Or, visit www.medicare.oneexchange.com/pepsico to learn the amount of the contribution to your RRA.

Your (and your spouse's/partner's, if eligible) RRA funds will be reduced by the amount of any eligible medical expenses and premiums for which you are reimbursed from the RRA during the plan year. At any time, you may receive reimbursement for eligible substantiated expenses up to the amount in your RRA. You will be responsible for paying any expenses that exceed the dollar amount in your RRA. These expenses may include premium costs that are higher than PepsiCo's contribution to your RRA, as well as eligible out-of-pocket expenses.

Any balance in your RRA at the end of the plan year will rollover to the following year, with the exception of any remaining transition benefit for prescription drug and hearing aid expenses, which will forfeit at the end of the year if not used.

RRA Eligible Expenses

You can use the amounts in the RRA to reimburse yourself for the following expenses for you and your spouse or partner who is a tax-qualified dependent:

- All (or a portion of) the monthly premiums for individual Medicare supplemental insurance or Medicare Advantage plans,
- All (or a portion of) prescription drug plan premiums,
- All (or a portion of) dental and/or vision premiums,
- All (or a portion of) Medicare Part B premiums, and
- Any out-of-pocket “eligible health care expense,” as defined below.

Some premiums and out-of-pocket expenses may not be eligible for reimbursement through the RRA. Please contact OneExchange to inquire regarding specific expenses.

An “eligible health care expense” is an expense incurred by you, your spouse, or partner who is a tax dependent for health care, as defined in Internal Revenue Code Section 213(d) (generally, expenses related to the diagnosis, care, mitigation, treatment or prevention of disease). Some common examples of eligible expenses include:

- Medications. Medications are considered eligible medical expenses only if they are prescribed by a doctor (without regard to whether the medication is available without a prescription) or is an insulin product,
- Dental expenses,
- Dermatology,
- Physical therapy,
- Contact lenses or glasses used to correct a vision impairment,
- Chiropractor treatments,
- Hearing aids,
- Wheelchairs,
- Premiums for long-term care insurance.

Some examples of common items that are not eligible expenses include:

- Baby-sitting and child care,
- Long-term care services,
- Cosmetic surgery or similar procedures (unless the surgery is necessary to correct a deformity arising from a congenital abnormality, accident or disfiguring disease),
- Funeral and burial expenses,
- Household and domestic help,
- Massage therapy,
- Custodial care,
- Health club or fitness program dues,
- Cosmetics, toiletries, toothpaste, etc.,

- Expenses incurred prior to the date that you became eligible for the RRA,
- Expenses incurred after the date that you cease to be eligible for the RRA, and
- Expenses that have been reimbursed by another plan or for which you plan to seek reimbursement under another plan option.

Generally, expenses for health care services and supplies are eligible for reimbursement if they:

- Are for health care,
- Considered tax-deductible by the IRS,
- Not reimbursable by another benefits plan, an HMO, insurance or any other source, and
- Incurred by you, your spouse, or your partner who is a tax dependent.

For more information about what items are and are not eligible medical expenses, consult IRS Publication 502, "Medical and Dental Expenses," under the headings "What Medical Expenses Are Includible" and "What Expenses Are Not Includible." (Be careful in relying on this Publication, however, as it is specifically designed to address what medical expenses are deductible on Form 1040, Schedule A, not what is reimbursable under this retiree reimbursement account.) If you need more information regarding whether an expense is an eligible medical expense, contact OneExchange.

Only eligible medical expenses incurred by you, your spouse or your partner who is a tax dependent while you are an eligible retiree with an RRA can be reimbursed from your RRA. Medical expenses are "incurred" when the medical care is provided, not when you or your eligible spouse/partner is billed, charged or pays for services. Thus, an expense that has been paid but not incurred (e.g., pre-payment to a physician) will not be reimbursed until the service or treatment giving rise to the expense has been provided.

Managing Your RRA

You pay your plan premiums directly to the insurance carrier and then submit a claim to OneExchange who will reimburse you from your RRA. (Depending on the number of plans you choose, you may be sending premium payments to more than one insurance carrier.) You must complete a reimbursement form and mail, fax or submit it online to OneExchange, along with a copy of your insurance premium bill and proof of payment, for other eligible expenses an "Explanation of Benefits" statement (EOB) or, if no EOB is provided, a written statement from the service provider. The written statement from the service provider must contain the following: the name of the patient; the date service or treatment was provided; a description of the service or treatment; and the amount incurred. You can obtain a reimbursement form online at www.medicare.oneexchange.com/pepsico or call 1-855-241-5717 (TTY: 711) from 8:00 a.m. to 9:00 p.m., Eastern Time, Monday through Friday. A claim is deemed filed when it is received by OneExchange.

You must submit requests for reimbursement of eligible substantiated expenses to OneExchange no later than June 30 of the year following the calendar year in which the expense was incurred.

If your claim for reimbursement is approved, you will be provided reimbursement as soon as reasonably possible following approval. Claims are paid in the order in which they are received by OneExchange.

Automatic Premium Reimbursement

Automatic reimbursement allows you to obtain reimbursement for insurance plan premiums without submitting a monthly claim form. If you'd like to take advantage of the convenience of automatic reimbursement, contact OneExchange or visit www.medicare.oneexchange.com/pepsico.

If Your Claim for Benefits is Denied

If your claim for reimbursement is wholly or partially denied, you will be notified in writing within 30 days after OneExchange receives your claim. If OneExchange determines that an extension of this time period is necessary due to matters beyond the control of the Plan, OneExchange will notify you within the initial 30-day period that an extension of up to an additional 15 days will be required. If the extension is necessary because you failed to provide sufficient information to allow the claim to be decided, you will be notified and you will have at least 45 days to provide the additional information. The notice of denial will contain:

- The reason(s) for the denial and the provisions on which the denial is based,
- A description of any additional information necessary for you to perfect your claim, why the information is necessary, and your time limit for submitting the information,
- A description of the appeal procedures and the time limits applicable to such procedures, and
- A description of your right to request all documentation relevant to your claim.

If your request for reimbursement under the RRA is denied in whole or in part and you do not agree with the decision of OneExchange, you may file a written appeal. You must file this appeal within 180 days following the receipt of your claim denial. Your first level of appeal is with OneExchange, and it should be sent to following address (also included on your Explanation of Payment statement):

Towers Watson's OneExchange
P.O. Box 2396
Omaha, NE 68103-2396
Fax: 855-321-2605

You will receive a decision on your first level of appeal within 30 days of OneExchange receiving your appeal. If the original claim decision is upheld by OneExchange upon your first level of appeal, you can file a second level of appeal with the PepsiCo Plan Administrator, the PepsiCo Administration Committee at the following address:

PepsiCo, Inc.
Attn: Plan Administrator
Benefits Department, 2/2
700 Anderson Hill Road
Purchase, NY 10577
914-253-3300

Your second level appeal must be filed no later than 60 days after receipt of the first appeal denial notice. You should submit all information identified in the notice of denial, as necessary, to perfect your claim and any additional information that you believe would support your claim.

You will be notified in writing of the decision on appeal no later than 30 days after the PepsiCo Administration Committee receives your request for appeal. The notice will contain the same type of information provided in the first notice of denial provided by OneExchange.

Note that you cannot file suit in federal court until you have exhausted these appeals procedures.

Overpayment from a Claim or Reimbursement Error

If it is later determined that you or your eligible spouse/partner received an overpayment, or a payment was made in error (e.g., you were reimbursed from your RRA account for an expense that is later paid by another medical plan), you or your eligible spouse/partner will be required to refund the overpayment or erroneous reimbursement to OneExchange.

If you do not refund the overpayment or erroneous payment, OneExchange will offset future reimbursements equal to the overpayment or erroneous payment, or, take other action necessary to recoup the overpayment or erroneous payment. If all other attempts to recoup the overpayment or erroneous payment are unsuccessful, the Plan Administrator may treat the overpayment as a bad debt, which may have tax implications for you.

Access and Manage Your RRA Online

Once your RRA is activated, you can access and manage your funding information online. To access or create an online account, go to www.medicare.oneexchange.com/pepsico and select the My Account link. If you're a first time visitor, fill out the required information to create your account. If you're a returning visitor, enter your username and password.

Once you've logged in or created your account, you can:

- Access your funding information, including your current funding allocation, funding frequency, available balance, recent claims and the histories of your claims and allocations. Click on the Funds & Claims section from the main page,
- Print a paper claim form. Click on the Funds & Claims section, then the My Resources link in the Quick Links sidebar of the My Dashboard section. Under Administrative Forms, select Reimbursement Account Claim Form,
- Find relevant phone numbers, answers to frequently asked questions and links that allow you to file claims or appeals,
- Elect automatic premium reimbursement.

If PepsiCo Discontinues the RRA

PepsiCo has the right to terminate or amend the Plan, in whole or part, at any time and for any reason, which could result in modification or termination of benefits. Any such action would be taken in writing and maintained with the records of the Plan. Plan amendment, modification, suspension or termination may be made for any reason, and at any time, and may, in certain circumstances, result in reduction or elimination of benefits or other features of the Plan to the extent permitted by law.

Additional Retiree Reimbursement Account Funding

PepsiCo is providing additional RRA funding for certain eligible post-65 retirees and post-65 spouses/partners, as described below.

Temporary Transition Reimbursement for Certain Prescription Drug and Hearing Aid Expenses

PepsiCo will provide an additional, transition benefit to offset certain prescription drug and hearing aid expenses in the form of a supplemental RRA contribution. This temporary benefit will be made available annually to all RRA-eligible participants enrolled with OneExchange until December 31, 2019.

If you or your covered spouse/partner have more than \$1,200 in out-of-pocket prescription drug and/or hearing aid expenses in a calendar year, you can each take advantage of a special temporary transition reimbursement that supplements the regular RRA contribution.

You will need to submit paperwork to show that you have exceeded \$1,200 in prescription drug and/or hearing aid costs for the calendar year. Once qualified, OneExchange will reimburse any additional prescription drug and/or hearing aid costs up to \$5,000 for the remainder of that year.

This is an annual benefit, which is available only until December 31, 2019. You and/or your eligible spouse/partner must remain enrolled with OneExchange, have at least \$1,200 in eligible out-of-pocket expenses for the calendar year and must submit the appropriate paperwork each calendar year to qualify for this temporary transition reimbursement. All requests for reimbursements must be received by March 31st of the following year. This transition reimbursement benefit does not rollover to the following year. You must qualify each year.

Note: Any additional funding in your RRA from the Temporary Transition Reimbursement at the end of the plan year will be forfeited. Out-of-pocket expenses covered under the Temporary Transition Reimbursement do not qualify as true out-of-pocket expenses, as defined by Medicare under Part D. You must, therefore, report any out-of-pocket expenses that are subsidized by the Temporary Transition Reimbursement to your prescription drug insurance carrier to ensure that these expenses are correctly reported to Medicare. Failure on your part to report subsidized expenses to your insurance carrier could result in premature increases in Medicare coverage levels, or other actions by Medicare.

Eligible Expenses

Prescription and hearing aid expenses that qualify toward the threshold include deductibles, coinsurance and copays that you pay, as well as any other out-of-pocket payment incurred by you toward the cost of your prescription drugs or hearing aids.

Reimbursable expenses are limited to prescription drug and hearing aid copayments and coinsurance payments incurred on or after the date the \$1,200 threshold is exceeded. Prescription drug plan premium payments are not eligible for reimbursement, nor expenses reimbursed from any other source.

If your out-of-pocket prescription drug and hearing aid costs reach the \$1,200 threshold during the year, contact OneExchange at 1-855-238-0489 (TTY: 711), Mon-Fri 8:00 A.M. - 9:00 P.M. Eastern Time to request a reimbursement form and information on accessing these funds.

Plan Sponsor Information

PepsiCo, Inc. sponsors the plans described in this booklet. The employer identification number assigned to PepsiCo, Inc. by the IRS is # 13-1584302.

PepsiCo, Inc.
700 Anderson Hill Road
Purchase, NY 10577
(914) 253-3300

Plan Administrator

The PepsiCo Administration Committee is the plan administrator of this plan.

The plan administrator is responsible for the operation and administration of the plan, except as specifically delegated to certain third-party administrators. The plan administrator has the discretionary authority to construe and interpret the provisions of the plan and make factual determinations regarding all aspects of the plan and its benefits, including the power and discretion to determine the rights or eligibility of employees, retirees and any other persons, and the amounts of their benefits under the plan, and to remedy ambiguities, inconsistencies, or omissions, and such determinations shall be binding on all parties.

The plan administrator may designate other organizations or persons to carry out specific fiduciary responsibilities in administering the plans including, but not limited to, the following:

- Pursuant to an administrative services or claims administration agreement, if any, the responsibility for administering and managing the plans, and
- The responsibility to prepare, report, file and disclose any forms, documents and other information required to be reported and filed by law with any governmental agency, or to be prepared and disclosed to employees or other persons entitled to benefits under each plan

The plan administrator will administer the plan on a reasonable and nondiscriminatory basis and shall apply uniform rules to all persons similarly situated. The plan administrator may be contacted by phone, in writing, or in person through the Company's Benefits Department at:

PepsiCo, Inc.
Attn: Plan Administrator
Benefits Department 2/2
700 Anderson Hill Road
Purchase, NY 10577
(914) 253-3300

Agent for Service of Legal Process

Process can be served on the PepsiCo Administration Committee by directing service to:

Chairperson, PepsiCo Administration Committee
Benefits Department 2/2
700 Anderson Hill Road
Purchase, NY 10577
(914) 253-3300

Process can be served on PepsiCo, Inc. by directing service to:

PepsiCo, Inc.
Attn: Secretary
700 Anderson Hill Road
Purchase, NY 10577
(914) 253-2000

Union Agreements

Retirees who were represented for collective bargaining purposes while actively employed by PepsiCo, Inc. are eligible to participate in the plan described in this booklet, only to the extent that the language of the applicable collective bargaining agreement and the official plan document specifically provide for such participation.

Cooperation with the Plan and Claims Administrators

In order to participate in the plan and receive benefits, you and your enrolled spouse/dependents are required to cooperate with the plan and provide the plan administrators with information that is needed to administer your benefits. This includes providing the plan and administrators with your and your spouse/partner's correct Social Security numbers, correct legal names and correct birthdates. You must also respond to reasonable requests of the plan and administrators for additional information, and assist the plan and claims administrators in correcting any claims paid in error or for the wrong amount. Failure to cooperate with the plan and administrators may result in the termination or suspension of your and your spouse/partner's participation in the plan.

Claiming Benefits

Usually, RRA benefits are paid in the ordinary course using the claims administrators forms and procedures described in this booklet. However, occasionally benefits are denied for various reasons including plan eligibility and/or expenses that are not covered by the plan. If you disagree with benefits being denied and you wish to have an additional review, you may file a formal claim for benefits. If your formal claim is denied, you have the right to appeal the decision.

The procedures for filing a formal claim or appeal for benefits are set forth above under the heading – Managing your RRA. You must follow these procedures to file a claim or to file an appeal of a denied claim. Further, you must file your first level of appeal with OneExchange, prior to filing your second level of appeal with the PepsiCo Administration Committee.

Failure to follow these claim and appeal rules will mean that your claim will be denied, and will mean that you will not be able to file suit in court to recover benefits for a denied claim or appeal.

The plan administrator, or its delegate, has the exclusive discretionary authority to construe and to interpret the plan, to decide all questions of eligibility for benefits, and to determine the amount of such benefits, and its decisions on such matters are final and conclusive. If any exercise of this discretionary authority is reviewed by the court, arbitrator or any other tribunal, it shall be reviewed under the arbitrary and capricious standard (e.g., the abuse of discretion standard). Benefits will be paid only if the plan administrator decides in its discretion that the applicant is entitled to them. The plan administrator has periodically exercised its authority to delegate discretionary authority in contracts, letters and various plan documents to various claims administrators, and to their predecessors and successors.

Eligibility Claims

An eligibility claim is a request to participate in the plan for yourself and/or your spouse/partner. It may be a request to start, add, or stop participation in the plan. An eligibility claim also includes disputes regarding whether you and/or your spouse/partner are entitled to a RRA contribution and the amount of a RRA contribution. In these situations, you should contact OneExchange to discuss your concerns.

If OneExchange does not resolve the eligibility issue to your satisfaction, you may file a formal eligibility claim with the plan administrator at the address indicated above under the heading – Plan Administrator.

If your eligibility claim is wholly or partially denied, you will be notified in writing within 60 days after the plan administrator receives your claim. The notice of a denial will contain:

- The reason(s) for the denial and the provisions on which the denial is based,
- A description of any additional information necessary for you to perfect your claim, why the information is necessary, and your time limit for submitting the information,
- A description of the appeal procedures and the time limits applicable to such procedures, and
- A description of your right to request all documentation relevant to your claim.

If your eligibility claim under the RRA is denied in whole or in part and you do not agree with the decision you may file a written appeal. You must file this appeal within 180 days following the receipt of your claim denial. The written appeal should be sent to the plan administrator at the address indicated above under the heading – Plan Administrator.

You will receive a decision on your appeal within 60 days of the plan administrator receiving your appeal notice. You should submit all information identified in the notice of denial, as necessary, to perfect your claim and any additional information that you believe would support your claim.

Note that you cannot file suit in federal court until you have exhausted these appeals procedures.

Exhaustion of Administrative Remedies

Before filing any claim (as defined below) in court or in another tribunal with respect to the plan, you must first fully exhaust all of your actual or potential rights under the plan's claims procedures by filing an initial claim and then seeking a timely appeal of any denial (referred to generally as the exhaustion requirement).

Upon review by any court or other tribunal, the exhaustion requirement if intended to be interpreted to require exhaustion in as many circumstances as possible. In any action or consideration of a claim in court or in another tribunal following exhaustion of the plan's claims procedures, the subsequent action or consideration shall be limited to the maximum extent permissible to the record that was before the plan administrator in the claims procedure process.

The exhaustion requirement shall apply – (1) regardless of whether other claims, disputes, issues, actions or other matters (including those that a court might consider at the same time) are of greater significance or relevance, (2) to any rights the plan administrator may choose to provide in connection with novel claims or in particular situations, (3) regardless of whether the rights are actual or potential and (4) even if the plan administrator has not previously defined or established specific claims procedures that directly apply to the submission and consideration of a claim (in which case the plan administrator upon notice of the claim shall either promptly establish such claims procedures or shall apply or act by analogy to the claims procedures that otherwise apply to claims for benefits).

The plan administrator may make special arrangements to consider a claim on a class basis or to address unusual conflicts concerns, and such minimum arrangements in these respects shall be made as are necessary to maximize the extent to which exhaustion is required.

For purposes of this exhaustion requirement, a “claim” is any dispute, issue, action, matter or other claim that involves any one or more of the following:

- The interpretation of the plan,
- The interpretation of any term or condition of the plan,
- The interpretation of the plan (or any of its terms or conditions) in light of applicable law,
- Whether the plan or any term or condition under the plan has been validly adopted or put into effect,
- Whether the plan, in whole or in part, has violated any terms, conditions or requirements of ERISA or other applicable law or regulation, regardless of whether such terms, conditions or requirements are, in whole or in part, incorporated into the terms, conditions or requirements of the plan,
- A request for plan benefits or an attempt to recover plan benefits,
- An assertion that any entity or individual has breached any fiduciary duty, or
- Any dispute, issue, action, matter or other claim that (i) is deemed similar to any of the foregoing by the plan administrator, or (ii) relates to the plan in any way.

Failure to fully follow this exhaustion requirement means that any claim, action or suit filed in court will generally be dismissed.

Limitations on Court Actions

Any claim or action that is filed in a court or other tribunal against or with respect to the PepsiCo Retiree Health Care Program or the plan administrator must be brought within the timeframes noted below.

For benefit services and expense reimbursements, any claim or action for such benefits must be brought in court within eighteen months of the date you are notified that your second level of appeal is denied (in whole or in part).

For all other claims or actions (including eligibility claims), the claim or action must be brought within two years of the date when you know or should know of the actions or events that gave rise to your claim.

Any claim or action brought after the above timeframes will be void.

Exclusive Venue

Any claim, action or other lawsuit relating to the PepsiCo Retiree Health Care Program (including claims for eligibility, benefits or other matters) must only be brought or filed in the United States District Court for the Southern District of New York.

HIPAA Privacy Notice

The HIPAA privacy rules protect your health information that is created or received by the PepsiCo Retiree Health Care Program. The plan is required to publish a HIPAA Privacy Notice that explains the HIPAA privacy rules. You were previously provided with a HIPAA Privacy Notice. The HIPAA Privacy Notice may be viewed on the web at www.netbenefits.com/pepsico. If you would like another copy of the HIPAA Privacy Notice, please contact The PepsiCo Savings and Retirement Center at 1-800-632-2014. If the HIPAA Privacy Notice is substantially modified, you will be provided with a revised notice.

Other Administrative Facts

The RRA is part of the PepsiCo Retiree Health Care Program, Plan Number 726. The plan is a separate welfare benefit plan under the Employee Retirement Income Security Act of 1974, as amended. Recordkeeping is maintained for the plan based on the calendar year.

The summary plan description for the RRA consists of this document, plus the letter you received establishing the Company's contribution rate to your RRA account (and that of your spouse/partner, if applicable). If you need another copy of the contribution rate letter, you should contact OneExchange.

Any individual Medicare supplemental, Medicare Advantage or Medicare Part D plans or policies purchased through OneExchange and reimbursed or paid from your RRA are not ERISA benefits and are not part of the plan. Only the RRA is part of plan. To obtain information concerning the operation, procedures, eligibility, coverage, terms and conditions of any individual Medicare supplemental, Medicare Advantage or Medicare Part D plans or policies, you must contact the insurance carrier of those individual plans or policies, or OneExchange.

As noted throughout this summary plan description, OneExchange and its delegates and affiliates administer many aspects of the Retiree Reimbursement Account. OneExchange may be contacted as follows:

Towers Watson's OneExchange
P.O. Box 2396
Omaha, NE 68103-2396

To contact OneExchange, call 1-855-241-5717 (TTY: 711) from 8:00 a.m. to 9:00 p.m., Eastern Time, Monday through Friday. Or, visit www.medicare.oneexchange.com/pepsico.

COBRA Continuation Coverage

The plan gives you and your spouse/partner the option to extend your health care coverage in certain instances when coverage under the plan would otherwise end. This is called COBRA coverage. COBRA stands for the Consolidated Omnibus Budget Reconciliation Act of 1985.

Only the RRA is covered by COBRA. Any individual Medicare supplemental, Medicare Advantage or Medicare Part D plans or policies purchased through OneExchange and reimbursed or paid from your RRA are not covered by COBRA.

If any person is eligible for the RRA who is not your spouse or a tax dependent for federal income tax purposes, COBRA coverage will not apply to such person. However, in place of COBRA, the Company offers such individuals continuation coverage, which generally provides for similar coverage as under COBRA. This coverage is not COBRA coverage and is not required by law. The Company reserves the right to amend, modify, reduce, discontinue or terminate continuation coverage at any time.

COBRA Continuation Coverage Participation

If one of the circumstances listed in the COBRA Continuation Coverage Period Chart causes you or a spouse/partner to lose health coverage, you may continue your RRA coverage – if you pay the entire cost of coverage, plus 2% to cover administrative expenses.

COBRA continuation coverage is available for a maximum of 36 months.

It is the responsibility of you or your spouse or partner who would lose coverage to contact OneExchange (1-855-241-5717) within 60 days of the event to request an application to continue participation due to a

qualifying event such as divorce, legal separation, or your spouse/partner losing eligibility for coverage. If you do not contact Fidelity within the 60-day time period, your COBRA continuation coverage rights will be lost.

The Company is responsible for notifying the plan administrator of certain qualifying events that result in your loss of coverage such as retirement, Medicare eligibility or death.

You or your spouse/partner must pay the full group rate for continued coverage, plus 2% for administrative expenses.

You or your spouse/partner have 60 days from the COBRA continuation coverage election notice date to elect participation under COBRA continuation coverage. Once you make your election, you will have 45 days to pay the initial premium payment. COBRA continuation coverage will be effective the day after the qualifying event.

The COBRA Continuation Coverage Period Chart

How Long COBRA Continuation Coverage Lasts for Your Retiree Health Coverage			
Qualifying Event	Maximum Continuation Period for Each Qualified Beneficiary		
	Retiree/ Employee	Spouse/Partner	
Retiree—participant dies	N/A	N/A*	
Retiree—participant and spouse become divorced or a domestic partnership terminates	N/A	36 months	

* Spouse/partner coverage does not terminate as a result of the death of the retiree-participant.

Termination of COBRA Continuation Coverage

COBRA continuation coverage will terminate before the end of the indicated time period if:

- After electing COBRA continuation coverage, you or your spouse/partner become covered under another group health care plan
- You or your spouse/partner become entitled to Medicare after electing COBRA continuation coverage
- The first required premium is not paid within 45 days, or any subsequent premium is not paid within 60 days of the due date
- If all health plans for retirees are terminated by PepsiCo.

Contacting PepsiCo

If you have any questions about COBRA continuation coverage or the application of the law, please contact the COBRA Administrator at OneExchange at 1-855-241-5717. For more information about your rights under COBRA you may also contact the nearest Regional or District Office of the U.S. Department of Labor’s Employee Benefits Security Administration (EBSA). Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA’s website at www.dol.gov/ebsa.

Keep Us Informed of Address Changes

In order to protect your and your family's rights, you should keep The PepsiCo Savings and Retirement Center at Fidelity informed of any changes in your and your family members' addresses. You should also keep a copy for your records of any notices you send to The PepsiCo Savings and Retirement Center at Fidelity.

Plan Termination and Amendment

PepsiCo, Inc., reserves the right to discontinue or terminate the plan, to modify the plan to provide different RRA contributions, or to reduce, amend, or modify the plan, in whole or in part and in any respect. This may be done at any time and without prior notice. PepsiCo also reserves the right to amend the plan to implement any cost control measures that it may deem advisable. Any such amendment, modification or termination shall be made by the Company or by any one with authority or who has been delegated the authority to amend, modify or terminate the plan.

Benefits for claims occurring after the effective date of a plan modification, amendment or termination are payable in accordance with the revised plan documents.

All statements in this book and all representations by the Company or its personnel are subject to this right of termination and amendment. This right applies without limitation, even after an individual's circumstances have changed by retirement, death, disability or otherwise.

Plan benefits do not become vested.

In the event of the dissolution, merger, consolidation or reorganization of PepsiCo, the plan will terminate unless the plan is continued by a successor to PepsiCo.

Your Rights under ERISA

The following statement is required by federal law and regulation. As a participant in the benefit plans described in this booklet, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

Receive Information about Your Plan and Benefits

Examine, without charge, at the plan administrator's office and at other specified locations, such as worksites, all documents governing the plans, including insurance contracts and a copy of the latest annual report (Form 5500 Series) filed by the plans with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plans, including insurance contracts and copies of the latest annual report (Form 5500 Series) and updated summary plan descriptions. The plan administrator may make a reasonable charge for the copies.

Receive a summary of the plan's annual financial reports. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.

Continue Group Health Plan Coverage

You may be entitled to continue health care coverage for yourself or your spouse/partner, if there is a loss of coverage under the PepsiCo Retiree Health Care Program as a result of a qualifying event. You or your spouse/partner will have to pay for such coverage. Review this summary plan description and the documents governing the PepsiCo Retiree Health Care Program on the rules governing your COBRA continuation coverage rights.

For more information, refer to COBRA Continuation Coverage.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plans. The people who operate your plans, called “fiduciaries” of the plan, have a duty to do so prudently and solely in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a plan benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a plan benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the plan’s decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in a federal court.

If it should happen that a plan fiduciary misuses plan money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court.

The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if the court finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about a plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest area office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

Retiree Reimbursement Accounts (RRAs) will be provided to participants who are currently receiving financial support toward retiree medical coverage from PepsiCo. Receipt of this document does not imply eligibility for an RRA. For questions regarding the RRA, or to determine whether or not you are eligible for a contribution to an RRA, please contact OneExchange at 1-855-241-5717. This document summarizes some of the terms and conditions of PepsiCo's Retiree Health Care Program (the "program"). It is not a promise or guarantee of benefits or of any level or amount of benefits. While PepsiCo, Inc. the program sponsor, currently intends to continue the program described herein, it reserves the right to amend, modify (including elimination or reduction of all or part of any RRA contribution or reimbursement amounts), or terminate the program at any time. This document is not intended to augment rights provided under the terms of the official program documents. Your eligibility and benefits will be determined in accordance with and subject to the official program documents. Not all the benefits described in this document may pertain to you. Please disregard those that do not apply to you.

Any individual Medicare supplemental, Medicare Advantage or Medicare Part D plans or policies purchased through OneExchange and reimbursed or paid from your RRA are not ERISA benefits and are not part of the program. Only the RRA is part of the program. To obtain information concerning the operation, procedures, eligibility, coverage, terms and conditions of any individual Medicare supplemental, Medicare Advantage or Medicare Part D plans or policies, you must contact the insurance carrier of those individual plans or policies, or OneExchange.