



**SERIES ADJUSTMENT - 2010-201871
ONN INFORMATION CIRCULAR # 201871
February 26, 2010**

PEPSI BOTTLING GROUP, INC. (PBG) - Merger Completed with PEPSICO, INC. (PEP)

On Wednesday, February 17, 2010, the shareholders of Pepsi Bottling Group, Inc. (PBG) voted and approved the proposed merger with Pepsico, Inc. (PEP). Pursuant to the terms of the merger, each PBG share will be converted as follows:

- 1) Approximately 50% of all outstanding PBG Common Shares will be converted into 0.6432 PEP Common Shares per PBG Share, subject to prorations. Cash will be paid in lieu of fractional PEP Shares
- 2) Approximately 50% of all outstanding PBG Common Shares will be converted into \$36.50 Cash per PBG Share, subject to prorations.

Within the terms of the merger, PBG Shareholders may choose one of the following:

- Cash Election:** Elect to receive \$36.50 cash for each PBG Common Share. Cash elections will be subject to prorations; or
- Mixed Election:** Elect to receive a combination of PBG Common Shares and cash, subject to prorations; or
- Non-Election:** Elect to receive 0.6432 PEP Common Shares by not making an election, subject to prorations

Pending Contract Adjustments

Pursuant to the by-laws of The Options Clearing Corporation ("OCC"), all Pepsi Bottling Group, Inc. options will be adjusted as follows:

Adjustment Date:	Monday, March 01, 2010
BOX Underlying Symbol(s):	PBG becomes OMB
OPRA Option Symbol(s):	PBG becomes OMB
No. Of Contracts :	Unchanged
Strike Prices:	Unchanged
Multiplier:	100 (e.g. Premium of 1.00 = \$100)
New Deliverable/Contract:	Based on the merger consideration which accrues to non-electing PBG shareholders. (The adjusted deliverable may be cash, PEP stock or a combination)

GTC Order Cancellation:

On Friday, February 26, 2010, immediately after the BOX close, all resting orders for PBG in the order book will be cancelled by the BOX Market Operations Center. If a BOX Participant wishes to enter orders for the adjusted OMB series, the BOX Participant will need to reenter the orders before the open on Monday, March 1, 2010.

PEPSICO INC(PBG)
(Before 3/1/2010)

PEPSICO INC(OMB)
(Beginning 3/1/2010)

100 shares PBG

See New Deliverable Above

<u>BOX Series</u>	<u>OPRA</u>	<u>Month</u>	<u>Strike</u>	<u>Calls/Puts</u>	<u>BOX Series</u>	<u>OPRA</u>	<u>Month</u>	<u>Strike</u>	<u>Calls/Puts</u>
PBG	PBG	Mar	25	CE/OE	OMB	OMB	Mar	25	CE/OE
PBG	PBG	Mar	30	CF/OF	OMB	OMB	Mar	30	CF/OF
PBG	PBG	Mar	35	CG/OG	OMB	OMB	Mar	35	CG/OG
PBG	PBG	Mar	40	CH/OH	OMB	OMB	Mar	40	CH/OH
PBG	PBG	Mar	45	CI/OI	OMB	OMB	Mar	45	CI/OI
PBG	PBG	Apr	30	D /P	OMB	OMB	Apr	30	D /P
PBG	PBG	Apr	35	D /P	OMB	OMB	Apr	35	D /P
PBG	PBG	Apr	40	D /P	OMB	OMB	Apr	40	D /P
PBG	PBG	Apr	45	D /P	OMB	OMB	Apr	45	D /P
PBG	PBG	Apr	50	D /P	OMB	OMB	Apr	50	D /P
PBG	PBG	Jun	25	FE/RE	OMB	OMB	Jun	25	FE/RE
PBG	PBG	Jun	30	FF/RF	OMB	OMB	Jun	30	FF/RF
PBG	PBG	Jun	35	FG/RG	OMB	OMB	Jun	35	FG/RG
PBG	PBG	Jun	40	FH/RH	OMB	OMB	Jun	40	FH/RH
PBG	PBG	Jun	45	FI/RI	OMB	OMB	Jun	45	FI/RI
PBG	PBG	Sep	30	IF/UF	OMB	OMB	Sep	30	IF/UF
PBG	PBG	Sep	35	IG/UG	OMB	OMB	Sep	35	IG/UG
PBG	PBG	Sep	40	IH/UH	OMB	OMB	Sep	40	IH/UH
PBG	PBG	Sep	45	II/UI	OMB	OMB	Sep	45	II/UI
PBG	PBG	Sep	50	IJ/UJ	OMB	OMB	Sep	50	IJ/UJ

Questions regarding this release may be directed to BOX Market Operations Center at 1-617-235-2249 or 1-866-768-8845 Toll Free