

**North Carolina Security Breach Reporting Form
Pursuant to the Identity Theft Protection Act of 2005**

Name of Business Owning or Licensing Information Affected by the Breach: Kraft Foods Global, Inc.

Address: 101 Constitution Avenue, NW Suite 400W
Washington, D.C. 20001

Telephone: (202) 354-1546

Fax: _____

Email: jim.portnoy@kraft.com

PLEASE SUBMIT FORM TO:

Consumer Protection Division
NC Attorney General's Office
9001 Mail Service Center
Raleigh, NC 27699-9001
Telephone: (919) 716-6000
Toll Free in NC: (877) 566-7226
FAX: (919) 716-6050

Date Security Breach Reporting Form submitted: September 5, 2007

Date the Security Breach was discovered: Early August

Estimated number of affected individuals: Approximately 370 North Carolina Residents were affected

Name of business maintaining or possessing information that was the subject of the Security Breach, if the business that experienced the Security Breach is not the same entity as the business reporting the Security Breach (pursuant to N.C.G.S. §75-65(b): Affiliated Computer Services (ACS), a service provider to Caremark, which administers Kraft's prescription drug benefits program.

Describe the circumstances surrounding the Security Breach and state whether the information breached was in electronic or paper format: ACS misplaced a computer tape including the names and Social Security numbers of some current Kraft employees and a smaller number of former employees and dependents. ACS believes the tape was destroyed and, as such, we do not believe this event is a legally-reportable security breach. Nonetheless, Kraft is reporting the event out of an abundance of caution. Please refer to attached notice provided to individuals.

Regarding electronic information breached, state whether the information breached or potentially breached was password protected or encrypted in some manner: Not applicable. If so, please describe the security measures protecting the information: _____

Describe any measures taken to prevent a similar Security Breach from occurring in the future: In the future, Caremark plans to transmit files of this nature to ACS via a secured Internet site, such that data transmissions will be encrypted channel. Caremark would then discontinue the use of tapes for these data transmissions.

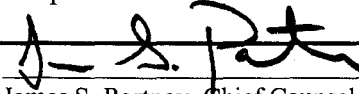
Date affected NC residents were/will be notified: written notice was mailed on August 31, 2007

If there has been any delay in notifying affected NC residents, describe the circumstances surrounding the delay pursuant to N.C.G.S. §75-65(a) and (c): Not applicable

If the delay was pursuant to a request from law enforcement pursuant to N.C. G.S. 75-65(c), please include the written request or the contemporaneous memorandum.

How NC residents were/will be notified?
(pursuant to N.C.G.S. § 75-65(e))
Please attach a copy of the notice if in written form or a copy of
Any scripted notice if in telephonic form.

- written notice
- electronic notice (email)
- telephone notice
- substitute notice

Signature:  Date: 9/5/07
Contact Person, Title: James S. Portnoy, Chief Counsel, Corporate and Government Affairs, Kraft Foods Global, Inc.
Address: see above
(if different from above)
Telephone: see above Fax: _____ Email: see above



Kraft Foods

Base Letter

August 30, 2007

Dear Kraft Caremark Plan Participant:

I wanted to make you aware of a matter that was recently brought to Kraft's attention. In early August, Caremark, the company that administers our prescription drug benefits program, let us know that a computer tape that included your name and other personal information was missing. We do not think anyone will access your information as we believe the tape was accidentally destroyed. Even so, out of an abundance of caution, we are giving you an opportunity to sign up for credit monitoring.

Kraft sent the tape, which included your name, address, date of birth, and social security number, to Affiliated Computer Services (ACS), a company that processes data for Caremark. ACS received the tape but has since lost track of it. No prescription records were included and the information can only be opened with special hardware.

I want to emphasize that we do not believe that the information has been accessed. However, we take our obligation to safeguard your personal information very seriously and we're working to improve our processes and systems.

Through Caremark we have arranged for you to receive two years of free credit monitoring from Trans Union. The enclosed reference guide tells you how to sign up for the credit monitoring and includes helpful tips on what you can do to protect your personal information.

We hope you find the credit monitoring and reference guide useful and we regret any inconvenience. If you have questions, please call Caremark directly at 888-795-4502 (Monday through Friday between 8 a.m. and 6 p.m. CT).

Sincerely,

Karen J. May
Executive Vice President, Global Human Resources
Kraft Foods Inc.

Encl.

Reference Guide

We encourage individuals receiving Kraft's letter of August 30, 2007 to take the following steps:

Order Your Free Credit Report. To order your free credit report, visit www.annualcreditreport.com, call toll-free at 877-322-8228, or complete the Annual Credit Report Request Form on the U.S. Federal Trade Commission's website at www.ftc.gov and mail it to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281. Do not contact the three credit bureaus individually. They provide free annual credit reports only through the website or toll-free number.

When you receive your credit report, review it carefully. Look for accounts you don't recognize. Look in the "inquiries" section for names of creditors from whom you haven't requested credit. Some companies bill under names other than their store names. The credit bureau will be able to tell you when that is the case. And look in the "personal information" section for information (such as your home address and Social Security number) for any inaccuracies. Errors in this information may be a warning sign of possible identity theft. You should notify the credit bureaus of any inaccuracies in your report, whether due to error or fraud, as soon as possible so the information can be investigated and, if found to be in error, corrected. If there are accounts or charges you did not authorize, immediately notify the appropriate creditor and credit bureau by telephone and in writing.

If you find items you don't understand on your report, call the credit bureaus at the numbers given on the report. Credit bureau staff will review your report with you. If the information can't be explained, then you will need to call the creditors involved. Information that can't be explained also should be reported to your local police or sheriff's office because it may signal criminal activity.

Register for Credit Monitoring. To enroll, please contact TransUnion toll-free at 1-800-242-5181 and enter code 227362 and the system will route you to the appropriate representatives. After you enroll, you will receive membership materials that describe the services in detail. At the end of your free, twenty-four month subscription, your subscription will be canceled and you will not be billed.

We recommend that you register within 90 days of receiving the August 30 letter. We have arranged to provide you credit monitoring at no charge for twenty-four months. Credit monitoring will provide you with an "early warning system" to changes to your credit file and help you understand the content of your credit file at TransUnion. The key features and benefits are as follows:

- 24 months of unlimited TransUnion credit reports
- 24 months of unlimited VantageScore credit scores
- 24 months of TransUnion credit monitoring
- Up to \$25,000 identity theft insurance for the duration of the two year period*
- Quarterly summaries of all credit monitoring alerts per year for the duration of the twenty-four month period
- TransUnion customer service professionals are available Monday through Friday, between 5:30 a.m. and 4:30 p.m. PST

*Due to New York state law restrictions, identity theft insurance coverage is not available to residents of New York.

(over)

Follow the FTC's Recommendations. If you believe your identity has been stolen, the U.S. Federal Trade Commission ("FTC") recommends that you take these additional steps:

- Close the accounts that you have confirmed or believe have been tampered with or opened fraudulently. Use the FTC's ID Theft Affidavit (available at www.consumer.gov/idtheft) when you dispute new unauthorized accounts.
- File a local police report. Obtain a copy of the police report and submit it to your creditors and any others that may require proof of the identity theft crime.
- File your concern with the FTC. The FTC maintains a database of identity theft cases used by law enforcement agencies for their investigations. By filing a concern, it helps the FTC learn more about identity theft and the problems victims are having so FTC representatives can better assist you. The FTC's Identity Theft Hotline toll-free number is 877-IDTHEFT (877-438-4338) or you can visit their website at www.ftc.gov.

Place a Fraud Alert on Your Credit File. To protect yourself from possible identity theft, consider placing a fraud alert on your credit file. A fraud alert helps protect you against the possibility of an identity thief opening new credit accounts in your name. When a merchant checks the credit history of someone applying for credit, the merchant gets a notice that the applicant may be a victim of identity theft. The alert notifies the merchant to take steps to verify the identity of the applicant. You can report potential identity theft to all three of the major credit bureaus by calling any one of the toll-free fraud numbers below. You will reach an automated telephone system that allows you to flag your file with a fraud alert at all three bureaus.

Equifax	800-525-6285	www.equifax.com
Experian	888-397-3742	www.experian.com
TransUnion	800-680-7289	www.transunion.com

You will be sent instructions on how to get a copy of your report from each of the credit bureaus. As a possible victim of identity theft, you will not be charged for these copies. Even if you do not initially find any signs of fraud on your reports, we recommend that you review your credit reports carefully every three months for the next year. Just call the numbers above to order your reports and keep the fraud alert in place.

To register for Credit Monitoring, please contact TransUnion toll-free at 1-800-242-5181 and enter code 227362 (Monday through Friday between 5:30 a.m. and 4:30 p.m. PST).

For all other questions, please call Caremark toll-free at 1-888-795-4502 (Monday through Friday between 8:30 a.m. and 8:30 p.m. EST, or Saturday and Sunday between 9 a.m. and 5 p.m. EST).