



Kraft Foods

James S. Portnoy
Chief Counsel
Corporate & Government Affairs

February 28, 2008

Director of Consumer Affairs and Business Regulation
Daniel C. Crane
Ten Park Plaza, Suite 5170
Boston, MA 02116

Massachusetts Attorney General
Martha Coakley
McCormack Building
One Ashburton Place
Boston, MA 02108

Mr. Crane and Ms. Coakley:

In accordance with Mass. Gen. Laws ch. 93H (H.B. 4144), we are providing you with written notification regarding the nature and circumstances of a recent event that may constitute a legally-reportable security breach.

We recently became aware of a theft of an employee's laptop computer. The laptop contained certain personal information about some employees of Kraft Foods, including names and Social Security numbers. Approximately 224 employees affected reside in Massachusetts. At this time, we have no information indicating that the information on the laptop has been misused. Additionally, we have no evidence that any information has been used to commit identity fraud. We are taking action to enhance our data security practices.

Attached for your information is a sample of the notices that we sent to affected individuals. If you have any questions, please do not hesitate to contact me at (202) 942-4360.

Very truly yours,

James S. Portnoy
Chief Counsel, Corporate and Government Affairs
Kraft Foods

Enclosures



Kraft Foods

February 26, 2008

Dear Kraft Employee:

I'm writing to you about the possible compromise of your personally identifiable information. The information included your name and may also have included your Social Security Number. We are working with law enforcement authorities in connection with this incident.

I am very disappointed and sorry this occurred. We are taking actions to enhance our data security practices. While we have controls in place, they clearly need to be strengthened. Over the next few months, we will complete actions that include:

1. Eliminating the use and storage of personally identifiable information on laptop computers unless it has been approved and encrypted.
2. Maintaining personally identifiable information on servers rather than laptops.
3. Conducting training for those who have access to your personally identifiable information.

I assure you, we take our obligation to safeguard your personally identifiable information very seriously. While we have no reason to believe that anyone has accessed your information, we are alerting you so you can take steps to protect yourself from possible identity fraud. As a precaution, we are giving you an opportunity to register for two years of free credit monitoring from TransUnion. This credit monitoring service can help you guard against the improper use of your personally identifiable information.

We ask that you register by May 23, 2008 to begin the service. The enclosed reference guide tells you how to register for credit monitoring and includes other suggestions on what you can do to protect your personally identifiable information, including recommendations by the U.S. Federal Trade Commission.

In addition, you are entitled under U.S. law to one free credit report annually from each of the three national credit bureaus. To order your free credit report, visit www.annualcreditreport.com or call toll-free at 877-322-8228.

We hope you find the credit monitoring and reference guide useful. If you would like to speak with us, please don't hesitate to call us toll-free at (877) 784-7748 (from 8 a.m. to 8 p.m. CT, Monday through Friday and Saturday from 8 a.m. to 1 p.m. CT). Again we apologize for the data loss and regret any inconvenience this may cause you.

Sincerely,

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



Kraft Foods

February 26, 2008

Dear Kraft Employee:

I'm very sorry to be writing to you a second time about the possible compromise of your personally identifiable information. The information included your name and may also have included your Social Security Number. We are working with law enforcement authorities in connection with this incident.

While we have no reason to believe that anyone has accessed your information, it is fair for you to ask, how this can happen again. I assure you, we take our obligation to safeguard your personally identifiable information very seriously and since the Caremark incident, we have put actions in place that will be completed in the next few months to enhance our data security practices. They include:

1. Eliminating the use and storage of personally identifiable information on laptop computers unless it has been approved and encrypted.
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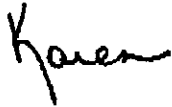
- If you are registering for the first time, you will receive two years of free credit monitoring from TransUnion.
- If you previously registered for this service following the Caremark situation, we are offering you an opportunity to extend the service for several additional months. You must re-register because TransUnion cannot continue monitoring your credit activity without your consent. The free credit monitoring extension will last for two years from the date you re-register.

We ask that you register for the first time or re-register for the extension by May 23, 2008. The enclosed reference guide tells you how to register for credit monitoring and includes other suggestions on what you can do to protect your personally identifiable information, including recommendations by the U.S. Federal Trade Commission.

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A handwritten signature in cursive script that reads "Karen".

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

Massachusetts Reference Guide

We encourage individuals receiving Kraft's letter of February 26, 2008 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. You must register or re-register by May 23, 2008 for credit monitoring, which we have arranged to provide you 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:

- 2 years of unlimited TransUnion credit reports
- 2 years of unlimited VantageScore credit scores
- 2 years of 3-bureau credit monitoring
- Up to \$25,000 identity theft insurance for the duration of the two year period (Due to New York state law restrictions, identity theft insurance coverage is not available to residents of New York)
- Quarterly summaries of all credit monitoring alerts per year for the duration of the two year period
- Toll-free TransUnion customer service professionals are available Monday-Friday, 7:30 a.m. - 6:30 p.m. CST

To enroll, please contact TransUnion at 800-242-5181 and enter code 601112 and the system will route you to the appropriate representatives. You will then receive membership materials after the enrollment that will describe the services in great detail. At the end of your free, two-year subscription, your subscription will be canceled and you will not be billed.

For Equifax: your full name, current residential address, date of birth, Social Security number and proof of your current address (such as a current utility bill).

For Experian: your full name, with middle initial and generation (such as Jr., Sr., II, III), Social Security number, date of birth, current address and previous address(es) for the past 2 years. You also will need to provide one copy of a government-issued identification card (such as a driver's license, state or military identification card) and one copy of a utility bill, bank or insurance statement, etc. Make sure that each copy is legible, displays your name and current mailing address and the date of issue. Please note that the statement dates must be recent.

For TransUnion: your name, current residential address, Social Security number, credit card number and expiration date (to pay the \$5 fee). You also will need to provide proof of your current residence (such as a driver's license or state issued identification card).

If you would like to speak with a Kraft Foods representative, please don't hesitate to call toll-free at (877) 784-7748 (from 8 a.m. to 8 p.m. CT, Monday through Friday and Saturday from 8 a.m. to 1 p.m. CT).

Kraft Foods
Three Lakes Drive
Northfield, Illinois 60093
847-646-2000



Kraft Foods

February 26, 2008

Dear Kraft Employee:

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In addition, you are entitled under U.S. law to one free credit report annually from each of the three national credit bureaus. To order your free credit report, visit www.annualcreditreport.com or call toll-free at 877-322-8228.

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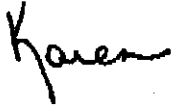
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Apply the FTC's Recommendations. If you believe your identity has been stolen, the U.S. Federal Trade Commission ("FTC") recommends that you take these additional steps:

- 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	PO Box 74021 Atlanta, Georgia 30374-0241	877-478-7625	www.equifax.com
Experian	PO Box 9532 Allen, Texas 75013	888-397-3742	www.experian.com
TransUnion	Fraud Victim Assistance Division PO Box 6790 Fullerton, California 92834-6790	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.

Right to Request a Police Report and a Security Freeze on Your Credit Report. You have the right to request a police report and the right to request a security freeze on your credit report. The security freeze will prohibit a credit bureau from releasing any information in your credit report without your express authorization. As such, it could delay or prevent your timely application for new loans, credit, mortgages, insurance, government services or payments, rental housing, employment, investments, licenses, cellular phones, utilities, credit card transactions, or other services, including extensions of credit at the point of sale.

You can request a security freeze by sending a certified, overnight, or regular mail request to the major credit bureaus using the contact information given above. Credit bureaus may charge you a fee of up to \$5 to place a freeze on your account, and may require that you provide proper identification prior to honoring your request. When requesting a security freeze with each of the credit bureaus, you will be required to provide the following information:

For Equifax: your full name, current residential address, date of birth, Social Security number and proof of your current address (such as a current utility bill).

For Experian: your full name, with middle initial and generation (such as Jr., Sr., II, III), Social Security number, date of birth, current address and previous address(es) for the past 2 years. You also will need to provide one copy of a government-issued identification card (such as a driver's license, state or military identification card) and one copy of a utility bill, bank or insurance statement, etc. Make sure that each copy is legible, displays your name and current mailing address and the date of issue. Please note that the statement dates must be recent.

For TransUnion: your name, current residential address, Social Security number, credit card number and expiration date (to pay the \$5 fee). You also will need to provide proof of your current residence (such as a driver's license or state issued identification card).

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