

BREARTON DAVID A
Form 4
May 26, 2011

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
BREARTON DAVID A

(Last) (First) (Middle)

KRAFT FOODS INC., THREE
LAKES DRIVE

(Street)

NORTHFIELD, IL 60093

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
KRAFT FOODS INC [KFT]

3. Date of Earliest Transaction
(Month/Day/Year)
05/25/2011

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
EVP & Chief Financial Officer

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
____ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount or Price		
Class A Common Stock	05/25/2011		M		16,130 (1)	A	\$ 31 76,119 D
Class A Common Stock	05/25/2011		F		14,450 (1)	D	\$ 34.61 61,669 D
Class A Common Stock	05/25/2011		F		697 (1)	D	\$ 34.61 60,972 D
Class A Common	05/25/2011		M		7,040 (2)	A	\$ 31 68,012 D

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Stock									
Class A Common Stock	05/25/2011		F	6,307 <u>(2)</u>	D	\$ 34.61	61,705	D	
Class A Common Stock	05/25/2011		F	304 <u>(2)</u>	D	\$ 34.61	61,401	D	
Class A Common Stock							81,146	I	By grantor retained annuity trust

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Stock Option (Right to Buy)	\$ 31	05/25/2011		M	16,130 <u>(1)</u>	<u>(1)</u> 06/12/2011	Class A Common Stock	16,130
Stock Option (Right to Buy)	\$ 31	05/25/2011		M	7,040 <u>(2)</u>	01/31/2003 06/12/2011	Class A Common Stock	7,040

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
BREARTON DAVID A	EVP & Chief Financial Officer

KRAFT FOODS INC.
THREE LAKES DRIVE
NORTHFIELD, IL 60093

Signatures

/s/ Phuong Lam, By Power of
Attorney

05/26/2011

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

This Form 4 is being filed to report the exercise of stock options, of which 5,376 shares became exercisable on June 12, 2002 and 10,754
(1) shares became exercisable on June 12, 2006, and 100% expire on June 12, 2011, and to report the surrender of securities in payment of the exercise price and taxes.

(2) This Form 4 is being filed to report the exercise of stock options that became 100% exercisable on January 31, 2003 and expire on June 12, 2011, and to report the surrender of securities in payment of the exercise price and taxes.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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