

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| OMB APPROVAL | |
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| 1. Name and Address of Reporting Person* <u>BREARTON DAVID A</u> (Last) (First) (Middle) KRAFT FOODS INC. THREE LAKES DRIVE (Street) NORTHFIELD IL 60093 (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>KRAFT FOODS INC [KFT]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner Officer (give title below) Other (specify below) EVP OPER & BUS SVS |
| | 3. Date of Earliest Transaction (Month/Day/Year) 12/02/2010 | |
| | 4. If Amendment, Date of Original Filed (Month/Day/Year) | 6. Individual or Joint/Group Filing (Check Applicable Line) X 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 | (A) or (D) | Price | | | |
| Class A Common Stock | 12/02/2010 | | M | | 156 ⁽¹⁾ | A | \$26.42 | 37,326 | D | |
| Class A Common Stock | 12/02/2010 | | M | | 1,766 ⁽¹⁾ | A | \$26.42 | 82,912 | I | By grantor retained annuity trust ⁽²⁾ |
| Class A Common Stock | 12/02/2010 | | F | | 1,664 ⁽¹⁾ | D | \$30.52 | 81,248 | I | By grantor retained annuity trust ⁽²⁾ |
| Class A Common Stock | 12/02/2010 | | F | | 102 ⁽¹⁾ | D | \$30.52 | 81,146 | I | By grantor retained annuity trust ⁽²⁾ |
| Class A Common Stock | 12/02/2010 | | M | | 847 ⁽¹⁾ | A | \$25.71 | 38,173 | D | |
| Class A Common Stock | 12/02/2010 | | M | | 8,036 ⁽¹⁾ | A | \$25.71 | 89,182 | I | By grantor retained annuity trust ⁽²⁾ |
| Class A Common Stock | 12/02/2010 | | F | | 7,484 ⁽¹⁾ | D | \$30.52 | 81,698 | I | By grantor retained annuity trust ⁽²⁾ |
| Class A Common Stock | 12/02/2010 | | F | | 552 ⁽¹⁾ | D | \$30.52 | 81,146 | I | By grantor retained annuity trust ⁽²⁾ |

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 Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|--|-----------------|---|--|--|---|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | | | | | |

**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 Securities Underlying Derivative Security (Instr. 3 and 4) | | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|----------------------|--|-----------------|---|----------------------------|--|--|---|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |
| Stock Option (right to buy) | \$26.42 | 12/02/2010 | | M | | | 1,922 ⁽¹⁾ | 04/02/2007 | 01/31/2011 | Class A Common Stock | 1,922 | \$0 | 0 | D | |
| Stock Option (right to buy) | \$25.71 | 12/02/2010 | | M | | | 8,883 ⁽¹⁾ | 04/02/2007 | 01/31/2011 | Class A Common Stock | 8,883 | \$0 | 0 | D | |

Explanation of Responses:

1. This Form 4 is being filed to report the exercise of stock options that became 100% exercisable on April 2, 2007 and expire on January 31, 2011, and to report the surrender of securities in payment of the exercise price and taxes.

2. On September 22, 2010, Mr. Brearton contributed 81,146 shares of Kraft Foods Inc. Class A Common Stock to a grantor retained annuity trust.

/s/ Irma Villarreal, by Power of Attorney 12/06/2010

** Signature of Reporting Person Date

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

* 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).

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.