

KRAFT FOODS INC
Form 4
October 23, 2007

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 *
King Pamela E

(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)
06/12/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
X Officer (give title below) ___ Other (specify below)
Senior VP & Controller

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 Ownership (Instr. 4)
			Code	V	Amount (A) or (D) Price		
Class A Common Stock	06/12/2007		X		3,381 (1) \$ 85 0 (2)	D	
Class A Common Stock	06/15/2007		X		69 (1) \$ 85 0 (2)	D	
Class A Common Stock	06/26/2007		P		3,450 A \$ 35.6 29,851	D	
Class A Common					30,448 (3)	D	

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Stock

Units

738.63 ⁽⁴⁾ D

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	
Call Option (obligation to sell)	\$ 85	06/12/2007		X	3,381 ⁽¹⁾	11/20/2006	06/16/2007	Class A Common Stock	3,381 ⁽¹⁾
Call Option (obligation to sell)	\$ 85	06/15/2007		X	69 ⁽¹⁾	11/20/2006	06/16/2007	Class A common Stock	69 ⁽¹⁾

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
King Pamela E KRAFT FOODS INC. THREE LAKES DRIVE NORTHFIELD, IL 60093			Senior VP & Controller	

Signatures

/s/ Irma Villarreal by Power of Attorney

10/23/2007

 **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).

These shares represent call options of Altria Group, Inc. ("MO") that were adjusted following the March 30, 2007 spin-off of Kraft from

(1) MO. As a result of the spin-off, Reporting Person acquired shares of Kraft. Consequently, the call option comprised shares of MO and Kraft, all of which were then exercised.

(2) Shares beneficially owned did not change as a consequence of this transaction.

(3) Represents shares or share equivalents acquired by reporting person pursuant to the March 30, 2007 distribution of Issuer's shares previously owned by Altria Group, Inc.

(4) Units represent interests in Issuer's stock fund. Report is made in Units because it is not possible to calculate the number of shares.

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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