

KRAFT CANADA OPTIONAL PENSION PLANS, EMPLOYEE SAVINGS PLAN, GRRSP, NREG and RSP PLAN INFORMATION

Kraft Foods Group Inc. shares will be distributed to shareholders of Kraft Foods Inc. at 4 p.m. ET on **October 1, 2012** (the “spin-off”). Coincident with the spin-off, Kraft Foods Inc. will be renamed Mondelēz International Inc. Once this spin-off occurs, Kraft Foods Group, which will operate the North American grocery business, and Mondelēz International, which will proceed as a global business concentrating on snack categories, will become separate public companies.

This bulletin contains important information regarding the impact of the upcoming spin-off on your Optional Pension Plan (OPP), Employee Savings Plan (ESP), Group Registered Retirement Savings Plan (GRRSP), Non-registered Savings Plan (NREG) and Retirement Savings Plan (RSP). In addition, this document addresses changes to the Kraft Foods Inc. Stock Fund investment option as a result of the spin-off.

As a result of the spin-off, the investments in the Optional Pension Plan (OPP), Employee Savings Plan (ESP), Group Registered Retirement Savings Plan (GRRSP), Non-registered Savings Plan (NREG) and Retirement Savings Plan (RSP) will change. So it is important that you read the information in this bulletin. You should identify whether you have investments that are changing and any restrictions on making investments that apply to you due to the spin-off and decide whether you would like to make investment changes as a result.

This bulletin explains:

- That the Kraft Foods Inc. Stock Fund will be closed as of September 26, 2012 at 4 p.m.
- How future cash dividends will be invested.
- The impact on your accounts if you are invested in the Kraft Foods Inc. Stock Fund.
- Important considerations regarding any investment holdings within your accounts.
- The tools and resources available to you.

Kraft Foods Inc. Stock Fund will be closing

This fund will close on September 26, 2012 at 4 p.m. This means that payroll contributions, dividends and transfers/reallocations of money into the fund will not be permitted.

The impact on your accounts if you are invested in the Kraft Foods Inc. Stock Fund

If you have a balance in the Kraft Foods Inc. Stock Fund as of **September 26, 2012 at 4 p.m. ET**:

- You will receive one share of the Kraft Foods Group Inc. for every three shares of Kraft Foods Inc. you currently hold.
- The Kraft Foods Group Inc. shares will be credited to your accounts on the spin-off and will be available to view and transact in your account as of 9 a.m. on October 4, 2012.
- Kraft Foods Inc. will change its name to Mondelēz International Inc.

On October 4, 2012, employees who participated in the Kraft Foods Inc. Stock Fund as of September 26, 2012 will have two types of shares in their account: Kraft Foods Group Inc. shares and Mondelēz International Inc. shares.

How your future fund contributions will be directed after October 1st, 2012

- If you currently have the Kraft Foods Inc. Stock Fund as one of your investment options for your future contributions, your investment option will be automatically changed to the new stock fund for the company you will be working for – Mondelēz International Inc. Stock Fund or Kraft Foods Group Inc. Stock Fund.

How future Kraft Foods Group Inc. Stock Fund and Mondelēz International Inc. Stock Fund dividends will be invested

- Kraft Foods Group Inc. Stock Fund will be closed to all Mondelēz Canada employees.
- Mondelēz International Inc. Stock Fund will be closed to Kraft Canada employees.

Dividends paid to the closed funds will not be allowed to be reinvested in those funds. Instead, the future dividends will be allocated to the Sun Life Financial Money Market Segregated Fund.

How Kraft Foods Group Inc. shares will be distributed in the Savings Plan: Example

Let's take a look at how the transaction affects the accounts of John, a participant who is invested in the Kraft Foods Inc. Stock Fund as of September 26, 2012. ***This example is for illustrative purposes only.***

Assumptions: Prior to the spin-off, John owns 150 shares of Kraft Foods Inc., which have a \$40 per share market value for a total Kraft Foods Inc. share value of \$6,000 (150 shares at \$40 per share).

The distribution ratio that will apply on the Record Date (***which is described below***) has already been determined to be 33.33% (1 to 3). This means that in this example, John would receive 0.33 shares of Kraft Foods Group Inc. for every share of Kraft Foods Inc. that he currently holds.

After the spin-off, John would still hold his 150 shares of Kraft Foods Inc. (to be renamed Mondelēz International Inc.) and 50 shares of Kraft Foods Group Inc. (150 shares x 33.33% = 50 shares)

The value of John's account should remain the same - \$6,000. The Kraft Foods Group Inc. shares (50 shares) would be worth \$2,000 (\$40 x 50 shares). The Mondelēz International Inc. Shares (150 shares) would be worth \$4,000 (\$26.67 x 150 shares).

Retaining your Adjusted Cost Base (ACB)

The adjusted cost base of your Kraft Foods Inc. shares will generally be the cost you incurred to acquire such Kraft Foods Inc. shares. Sun Life Financial maintains the adjusted cost base of your Kraft Foods Inc. shares in the ESP and NREG.

Kraft Foods Inc. anticipates that the spin-off will qualify for tax-deferred treatment under the Income Tax Act (Canada). Accordingly, the adjusted cost base in your Kraft Foods Inc. shares will be allocated between your Kraft Foods Group Inc. shares and your Mondelēz International Inc. shares. Sun Life Financial will split the adjusted cost base between these shares in proportion to their fair market values as observed on October 2, 2012. Your adjusted cost base is used to determine any capital gains/losses that will be realized upon disposition of your Kraft Foods Group Inc. or Mondelēz International Inc. shares. Sun Life Financial maintains your adjusted cost base in the ESP and NREG for both Kraft Foods Group Inc. shares and Mondelēz International Inc. shares.

If you hold shares of Kraft Foods Inc. outside of the Kraft plans maintained by Sun Life Financial, you will need to file an election with the Canada Revenue Agency, to qualify for the tax deferred treatment of the spin-off under the Income Tax Act (Canada). This step is not necessary with any shares held in the plans at Sun Life Financial.

Important dates

| Key Date | Plan Activity |
|--|--|
| September 26 th , 2012 at 4 p.m. | You will have no access to your accounts. The blackout period starts |
| October 1 st , 2012 | The stock spin-off is completed |
| October 4 th , 2012 | Account activity resumes. You will see your new stock in your accounts |

All frozen company stock funds in the Kraft Canada Inc. Plan and the Mondelēz Canada Inc. Plan as of June 30, 2014, will no longer be available

As of June 30, 2014, all of the frozen company stock funds will be removed as an investment option under both the Kraft Canada Inc., plans and the Mondelēz Canada Inc. plans.

This means that the Mondelēz International Stock Fund, the Altria Stock Fund, and the Philip Morris International Stock Fund will be removed as an investment option under the Kraft Canada Inc. plans as of June 30, 2014.

This also means that the Kraft Foods Group Stock Fund, the Altria Stock Fund, and the Philip Morris International Stock Fund will be removed as investment options under the Mondelēz Canada Inc. plans as of June 30, 2014.

If you have a balance in any of these frozen funds, you will be asked to make a new investment election before June 30, 2014, or your money will be invested in the default fund, currently the Target Date Fund with the target retirement year closest to the year you turn age 65. However, you can make investment election changes at any time prior to June 30, 2014. If you sell your shares this could create a tax event to you in the NREG and ESP accounts. Kraft Canada Inc. and Mondelēz Canada Inc. reserve the right to make changes to these arrangements and will notify you if that happens.

You can elect to transfer the shares out of your current non-registered savings plans (i.e. ESP or NREG) and into your personal account at a brokerage firm of your choice, by contacting the Sun Life Financial Customer Care Centre. In doing so you will only be able to transfer individual company stock funds in whole shares; fractional shares will be converted to cash and distributed to you. You may experience a tax event in the NREG and ESP accounts as a result of the disposition of the fractional shares.

Tools and resources available to you

- Kraft Canada website: mysunlife.ca/kraftcanada (Mondelēz employees: mysunlife.ca/mondelezcanada)
- Sun Life Financial Customer Care Centre (available from 8 a.m. to 8 p.m. ET any business day):
1-866-896-6976
- Sun Life Financial Automated Telephone System (24-hours a day, seven-days-a-week):
1-866-896-6976

Depending on what company you work for after the spin-off, either the Kraft Foods Group Inc. or Mondelēz International Inc. Stock Funds will be frozen to new money as of 9 a.m. on October 4, 2012. As such, this may be a good time to revisit your current investment mix and investment strategy to ensure they still meet your retirement goals.

You can determine your investment risk tolerance, learn more about your new investment options and update your investment selections through Sun Life Financial's Plan Member Services website. Once you've signed into the site, simply follow the steps below to re-evaluate your personal retirement savings strategy.

Step 1 – Determine your investment risk tolerance

The best way to see if your retirement portfolio fits your current lifestyle is to complete the online Investment Risk Questionnaire (Asset allocation tool). You can find this questionnaire online:

- Under the **Resource Centre** drop-down menu, select **my money tools**.
- Select the **Continue** at the bottom of the page, then follow the information flow provided.

Step 2 – Learn about your plans' investment options

You can learn more about the plans' investment options through Morningstar® Canada, a leading provider of investment news and analysis:

- Under the **Account** drop-down menu, select **Investment Performance**.
- Select the **Morningstar®** link.

Step 3 – Choose your investment approach

We understand that different individuals may have different investment styles. That's why your plan offers two approaches on how you can invest your savings. You can choose your investments based on your comfort with risk or based on when you expect to need your money, such as your target retirement year.

Step 4 – Update your fund selections if you wish

If you currently have the Kraft Foods Inc. Stock Fund as one of your future investment elections, your investment option will be automatically changed to the new stock fund for the company you will be working for – Mondelēz International Inc. Stock Fund or Kraft Foods Group Inc. Stock Fund.

You can update your investment instructions online:

- Under the **Requests** drop-down menu, select **Change investments**.
- Choose your play type from the tabs provided

- Under **I want to...** select **Change how my future contributions will be invested**

- Follow the instructions provided.

You can transfer assets from one fund to another fund online:

- Under the **Requests** drop-down menu, select **Change investments**.
- Choose your play type from the tabs provided

- Under **I want to...** select **Move my money to different funds**

- Follow the instructions provided.

Make changes by phone

You can update your fund selection, monitor your account or obtain plan information by contacting a **Sun Life Financial Customer Care Centre** representative at **1-866-733-8612** from

8 a.m. to 8 p.m. ET any business day. This number also gives you access to the **Automated Telephone System** 24-hours-a-day, seven-days-a-week.

Your access ID and password

To access your account online or by phone, you will need a personal Access ID and Password.

Don't have an access ID or password?

Select the **Register** link on the sign in page of the Plan Member Services website and follow the instructions provided. You will be asked for your Account Number (see your welcome letter or your statement for this number) and your date of birth.

Forgot your access ID or password?

- For your Access ID, call **1-877-521-8805**.
- For your Password, select the **Forgot your Password?** link on the Plan Member Services website.

Know your responsibilities

As a member of a group retirement or savings plan with more than one investment option, you are responsible for making investment decisions regarding your plan. That responsibility includes making use of the information and tools made available to you to assist in making these decisions and deciding whether you should obtain investment advice from a qualified individual.

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| Adjusted Cost Base | Sun Life Financial maintains the records of the adjusted cost base of your Kraft Foods Inc. shares and will maintain the records of the adjusted cost base of your Kraft Foods Group Inc. shares and Mondelēz International Inc. shares. The adjusted cost base is used to determine any capital gains/losses that are realized upon disposition of your shares held in the ESP and/or NREG. |
| Kraft Foods Group Inc. shares | The common stock of Kraft Foods Group Inc. |
| Kraft Foods Group Inc. Stock Fund | The investment option under the Optional Pension Plan (OPP), Employee Savings Plan (ESP), Group Registered Retirement Savings Plan (GRRSP), Non-registered Savings Plan (NREG) and Retirement Savings Plan (RSP), that will be invested in Kraft Foods Group Inc. shares. |
| Kraft Foods Inc. shares | The Class A common stock of Kraft Foods Inc. |
| Kraft Foods Inc. Stock Fund | The current investment option under the Optional Pension Plan (OPP), Employee Savings Plan (ESP), Group Registered Retirement Savings Plan (GRRSP), Non-registered Savings Plan (NREG) and Retirement Savings Plan (RSP), that is invested in Kraft Foods Inc. shares. |
| Mondelēz International Inc. shares | The common stock of Mondelēz International Inc. |
| Mondelēz International Inc. Stock Fund | The investment option under the Optional Pension Plan (OPP), Employee Savings Plan (ESP), Group Registered Retirement Savings Plan (GRRSP), Non-registered Savings Plan (NREG) and Retirement Savings Plan (RSP), that is invested in Mondelēz International Inc. shares. |
| Record Date | The date declared by the Board of Directors of Kraft Foods Inc. to determine the Kraft Foods Inc. shareholders eligible to receive the distribution of Kraft Foods Group Inc. shares. |

Blackout dates

Starting September 26 at 4 p.m. ET, there will be no access to your Retirement Savings plan account. This means you will not be able to view or update your account online or by phone through the Customer Care Centre. The blackout period ends on October 4, 2012, at which time you can access your account as usual.

Disclaimer

Your Kraft Foods Inc. shares are all held in trusts at Sun Life Financial.

In the event of any discrepancy between the official documents and this letter, the official documents or policies will govern.

Kraft Foods Inc. reserves the right, from time to time and without advance notice, to change or terminate its benefits and retirement and savings programs for active, non-active and retired employees and their beneficiaries, subject to applicable laws. Such changes may include, but are not limited to adding, terminating, altering or reducing benefits being received by individuals, changing carriers, amending plan provisions and merging plans. However, such changes will not impact benefits to the extent that the benefits are already paid for by individuals or to the extent prohibited by statute.