KRAFT®

September 17, 2008

Dear Sir/Madame,

We are writing on behalf of Kraft Foods Global, Inc. regarding the issue of convergence as it relates to the CME soft wheat futures contract. Kraft operates the largest soft wheat mill in North American located in Toledo, Ohio and is one of the largest single processors/consumers of soft wheat in North America.

Kraft has recently had discussions with representatives of the CME Group regarding the extreme lack of convergence between the physical soft wheat market and CME (CBOT) wheat futures contract. During this time several solutions were discussed, many of them credible. However the recommendations stated in the recent press release from the CME dated September 5th 2008 (attached), we believe fall short in terms of the type of aggressive action needed to assure convergence. Simply increasing storage rates and adding deliverable space will have little impact on convergence. In recent years, action by the CME has already included higher storage rates, shipping certificates and lowering vomitoxin maximums. In our view, more of the same is not the optimal solution and does not guarantee convergence.

The one idea that had been discussed that would force convergence is Demand Certificates or "forced load out", as some call it. This idea was not recommended by the CME at this time but we believe may have the best potential of achieving convergence. While the CME is clearly moving in the right direction by "seeking changes in the contract to improve convergence" we believe the effort should be directly aimed at achieving convergence and not just improving convergence. We believe Demand Certificates, if implemented, will achieve that objective.

At this point we and many other commercials, including farmers, are unclear about what the CME wheat futures contract represents. We know it does not represent the value of US soft red wheat and it also does not represent any other world soft wheat market. What it does represent to Kraft at this juncture is unquantifiable risk and a hedging instrument that is not representative of the real value of the underlying physical market.

We ask that the CFTC reject the CME Group wheat contract solution as inadequate and request the CME present a solution that will achieve contract convergence in an expeditious manner.

Sincerely,

Jack Bienkowski
Senior Director, Global Procurement
Biofuel Foods & Energy

Mark Haar
Associate Director Global Procurement
Wheat & Flour North America

Chris Baldwin
President
Snacks Business Unit

Don Valenzo
Vice President
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## CME Group Recommends Changes to Wheat Contract in Order to Improve Convergence

CHICAGO, Sept. 5 /PRNewswire-FirstCall/ -- CME Group, the world's largest and most diverse derivatives exchange, today submitted changes to its regulator for the benchmark wheat futures contract. The changes, which call for seasonally increased storage fees and additional delivery points, have been recommended to improve convergence between futures and cash prices at contract expiration.

The Commodity Futures Trading Commission (CFTC) must approve any contract changes and proposed implementation schedule pertaining to the grain and oilseed listings at CME Group if the changes are applied to contract months with open interest.

The recommendations are based on input from market participants, including commercial interests, grain elevators, individual traders, proprietary trading firms and others.

-- Changes to the storage rates include introducing seasonal premium charges to be increased during the period from July through November to 8 cents per bushel per month. During the remainder of the crop year from December through June, the exchange is recommending that premium charges remain at their current level of 5 cents per bushel per month.

-- Three additional delivery territories are also being recommended. The delivery areas would include shuttle train loading facilities in a 12-county area of northwest Ohio; barge loading facilities on the Ohio River from Cincinnati to the Mississippi River; and barge loading facilities on the Mississippi River from below St. Louis to Memphis. In addition, northwest Ohio locations will be added at a 20 cent per bushel discount; Ohio River locations at par; and Mississippi River locations at a 20 cent per bushel premium.

-- Finally, the exchange is recommending that the vomitoxin level for par delivery be lowered from three parts per million (ppm) to two ppm. Wheat containing three ppm of vomitoxin will continue to be deliverable at a 12 cent per bushel discount and wheat containing four ppm of vomitoxin will continue to be deliverable at a 24 cent per bushel discount.

The seasonal storage rate and additional delivery locations are proposed to be implemented beginning with the July 2009 contract month and the lower vomitoxin level will be implemented with the September 2011 contract month. For more information, please see the exchange's Special Executive Report http://cmegroup.com/rulebook/rulechanges.html or the filing at http://www.cftc.gov.

CME Group (http://www.cmegroup.com) is the world's largest and most diverse derivatives exchange. Building on the heritage of CME, CBOT and NYMEX, CME Group serves the risk management needs of customers around the globe. As an international marketplace, CME Group brings buyers and sellers together on the CME Globex electronic trading platform and on trading floors in Chicago and New York. CME Group offers the widest range of benchmark products available across all major asset classes, including futures and options based on interest rates, equity indexes, foreign exchange, energy, agricultural commodities, metals, and alternative investment products such as weather and real estate. CME Group is listed on NASDAQ under the symbol "CME."