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ex rel. Edmund G. Brown Jr., Attorney General of the
State of California

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

PEOPLE OF THE STATE OF CALIFORNIA, ex rel. EDMUND G. BROWN JR., Attorney General of the State of California, Plaintiff, v. FRITO-LAY, INC., PEPSICO, INC., H.J. HEINZ, COMPANY, KETTLE FOODS, INC., KFC CORPORATION, LANCE, INC., THE PROCTER & GAMBLE DISTRIBUTING COMPANY, THE PROCTER & GAMBLE MANUFACTURING COMPANY, WENDY'S INTERNATIONAL, INC., MCDONALD'S CORPORATION, BURGER KING CORPORATION and DOES 1 through 100, Defendants.	Case No.: BC 338956 CONSENT JUDGMENT AS TO DEFENDANT KFC CORPORATION, Dept: 307 Judge: Hon. Wendell Mortimer, Jr. Trial Date: November 6, 2007 Action Filed: August 26, 2005

1. INTRODUCTION

1.1. On August 26, 2005, the People of the State of California ("People"), filed a complaint for civil penalties and injunctive relief for violations of Proposition 65 and unlawful business practices in the Superior Court for the County of Los Angeles. The People' s Complaint alleges

that the Defendants failed to provide clear and reasonable warnings that ingestion of the Covered Products (as defined in Paragraph 2.1), would result in exposure to acrylamide, a chemical known to the State of California to cause cancer. The Complaint further alleges that under the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code section 25249.6, also known as "Proposition 65," businesses must provide persons with a "clear and reasonable warning" before exposing individuals to these chemicals, and that the Defendants failed to do so. The Complaint also alleges that these acts constitute unlawful acts in violation of the Unfair Competition Law, pursuant to Business and Professions Code sections 17200 *et seq*.

1.2. KFC Corporation ("KFC"), the "Settling Defendant" is among the defendants named in the complaint.

1.3. The Settling Defendant is a corporation that employs more than 10 persons, or employed ten or more persons at some time relevant to the allegations of the complaint, and which manufactures, distributes and/or sells Covered Products in the State of California or has done so in the past.

1.4. For purposes of this Consent Judgment only, the parties stipulate that this Court has jurisdiction over the allegations of violations contained in the People's Complaint and personal jurisdiction over Settling Defendant as to the acts alleged in the People's Complaint, that venue is proper in the County of Los Angeles, and that this Court has jurisdiction to enter this Consent Judgment as a full and final resolution of all claims which were or could have been raised in the Complaint based on the facts alleged therein.

1.5 The People and Settling Defendant enter into this Consent Judgment as a full and final settlement of all claims that were raised in the Complaint (except as specified in Paragraph 7.1), arising out of the facts or conduct alleged therein. By execution of this Consent Judgment and agreeing to provide the relief and remedies specified herein, Settling Defendant does not admit any violations of Proposition 65 or Business and Professions Code sections 17200 *et seq.*, or any other law or legal duty. Except as expressly set forth herein, nothing in this Consent Judgment shall prejudice, waive or impair any right, remedy, or defense the Attorney General and Settling Defendant may have in any other or in future legal proceedings unrelated to these proceedings.

However, this paragraph shall not diminish or otherwise affect the obligations, responsibilities, and duties of the parties under this Consent Judgment.

2. INJUNCTIVE RELIEF; CLEAR AND REASONABLE WARNINGS

2.1. Settling Defendant shall provide warnings in the manner required by this Consent Judgment for all Covered Products sold at its restaurants located in the State of California. "Covered Products" means all foods containing acrylamide, including fried or baked potato products, sold in restaurants owned and operated by Settling Defendant ("Company Restaurants") or restaurants owned and operated by third parties pursuant to franchise or license agreements with Settling Defendant ("Franchise Restaurants"), whether commonly called french fries, curly fries, or potato wedges.

2.2 Warning message. The warning message provided, under any of the permitted warning methods, shall be any one of the following

a.

WARNING:

Chemicals known to the State of California to cause cancer, or birth defects or other reproductive harm may be present in foods or beverages sold or served here. Cooked potatoes that have been browned, such as french fries, baked potatoes, and potato chips, contain acrylamide, a chemical known to the State of California to cause cancer.

This chemical is not added to our foods, but is naturally created when certain foods are browned. It is created in fried and baked potatoes made at all restaurants, by other companies, and even when you bake or fry potatoes at home.

Many other foods, such as coffee, toasted cereals, and breads, including hamburger and sandwich buns and biscuits, contain acrylamide in varying amounts, generally in lower concentrations than potato chips and fries.

Your personal cancer risk is affected by a wide variety of factors. The U.S. FDA encourages people to continue to eat a wide variety of whole grain cereals, breads, and fruits and vegetables.

The FDA has not advised people to stop eating baked or fried potatoes. For more information see www.fda.gov.

Some other chemicals that may be present in foods or beverages served here and known to the State of California to cause cancer and birth defects or other

reproductive harm are, like acrylamide, by-products of cooking. [Settling Defendant may, but need not, identify specific chemicals such as Polycyclic Aromatic Hydrocarbons and PhiP(2-Amino-1-methyl-6-phenylimidazol[4,5-b]pyridine)].

b.

WARNING

Cooked potatoes that have been browned, such as french fries, baked potatoes, and potato chips, contain acrylamide, a chemical known to the State of California to cause cancer.

This chemical is not added to our foods, but is naturally created when certain foods are browned. It is created in fried and baked potatoes made at all restaurants, by other companies, and even when you bake or fry potatoes at home.

Many other foods, such as coffee, toasted cereals, and breads, including hamburger and sandwich buns and biscuits, contain acrylamide in varying amounts, generally in lower concentrations than potato chips and fries..

Your personal cancer risk is affected by a wide variety of factors. The U.S. FDA encourages people to continue to eat a wide variety of whole grain cereals, breads, and fruits and vegetables.

The FDA has not advised people to stop eating baked or fried potatoes. For more information see www.fda.gov.

[The following paragraph is optional] Some other chemicals that may be present in foods or beverages served here and known to the State of California to cause cancer and birth defects or other reproductive harm are, like acrylamide, by-products of cooking. [Settling Defendant may, but need not, identify specific chemicals such as Polycyclic Aromatic Hydrocarbons and PhiP(2-Amino-1-methyl-6-phenylimidazol[4,5-b]pyridine)].

c.

WARNING:

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Your personal cancer risk is affected by a wide variety of factors. The U.S. FDA encourages people to continue to eat a wide variety of whole grain cereals, breads, and fruits and vegetables.

The FDA has not advised people to stop eating baked or fried potatoes. For more information see www.fda.gov.

[The following paragraph is optional] Some other chemicals that may be present in foods or beverages served here and known to the State of California to cause cancer and birth defects or other reproductive harm are, like acrylamide, by-products of cooking. [Settling Defendant may, but need not, identify specific chemicals such as Polycyclic Aromatic Hydrocarbons and PhiP(2-Amino-1-methyl-6-phenylimidazol[4,5-b]pyridine)].

Wherever any warning language in this Consent Judgment uses the phrase "chemical known to the State of California to cause cancer," Settling Defendant, at its option, may use either the phrase "chemical known to cause cancer" or chemical that causes cancer."

2.3. Warning Method. The warning shall be provided through any of the three methods set forth in paragraphs 2.3.1, 2.3.2, or 2.3.3. Whichever warning method is used, any sign must be:

(a) located at or on the counter where food is purchased, on a wall either adjacent and parallel to or clearly visible to consumers standing at the counter where food is purchased; or

(b) located or at any other place that is reasonably likely to be seen and read by customers entering the restaurant to order food;

(c) not located at any of the following locations: On an entrance or exit door, on a window, on a restroom door, in a restroom, in a hallway that leads only to restrooms, on a refuse container.

2.3.1. Sign Warning: A warning set forth on a sign at least 10 inches high by 10 inches wide, with the word "WARNING" centered three-quarters of an inch from the top of the sign in ITC Garamond bold condensed type fact all in one-inch capital letters. Three-sixteenths of an inch from the base of the word "warning" shall be a line extending from left to right across the width of

the sign one-sixteenth of an inch in thickness. Centered one-half inch below the line shall be the body of the warning message in ITC Garamond bold condensed type face. For the body of the warning message, left and right margins of at least one-half of an inch, and a bottom margin of at least one-half inch shall be observed. Larger signs shall bear substantially the same proportions of type size and spacing to sign dimension as the sign 10 inches high by 10 inches wide.

2.3.2. Sign and Brochure Combination: A combination of a sign and brochure meeting the following requirements:

2.3.2.1. The sign is at least 10 inches by 10 inches, with the word "WARNING" centered three-quarters of an inch from the top of the sign in ITC Garamond bold condensed type face all in one-inch capital letters. Three-sixteenths of an inch from the base of the word "warning" shall be a line extending from left to right across the width of the sign one-sixteenth of an inch in thickness. Centered one-half inch below the line shall be the body of the warning message in ITC Garamond bold condensed type face. For the body of the warning message, left and right margins of at least one-half of an inch, and a bottom margin of at least one-half inch shall be observed. Larger signs shall bear substantially the same proportions of type size and spacing to 10 inches high by 10 inches wide.

2.3.2.2. The sign contains the following text:

WARNING

Chemicals known to the State of California to cause cancer, or birth defects or other reproductive harm may be present in foods or beverages sold or served here. For more specific information, see the brochure [located at the cashier] [next to this sign]

2.3.2.3. The brochure:

The brochure or handout must meet the following requirements:

(a) It must be at least 8 inches by 3 2/3 inches.

(b) It must contain the text set forth in Paragraph 2.2.

(c) If it contains warnings about acrylamide in fried potatoes only, then the text shall be at least 12 points in size. If it contains warnings about other foods,

the text may be smaller than 12 points in size but must be equal for each warning, and may be no smaller than necessary to be readable.

(d) If Settling Defendant chooses to provide additional Proposition 65 warnings not required by this Consent Judgment in the brochure, such additional warnings may not be on the same page or more prominent than the required acrylamide warning without the prior approval of the Attorney General.

2.3.3. Combination with Nutrition Information: If Settling Defendant provides "nutrition facts", i.e., information concerning the nutritional contents of the foods served in its restaurants, the warning may be provided within that sign or poster and accompanying materials, if all of the following requirements are satisfied:

(a) The sign or poster indicates that it describes the nutritional content of foods served in the restaurant either by a title or heading using words such as "nutrition facts", "nutrition information," or similar heading or title.

(b) The Proposition 65 warning is clearly visible to anyone reading the sign or poster. It will be set off by a distinctive border, and the word "Warning" shall be in print no smaller than other sectional headings in the sign or poster.

(c) If the specific nutritional information about individual products is provided on the sign itself, then the section 2.2 Proposition 65 warning shall be provided on the sign unless there also is a brochure with specific nutritional information, in which event, the Settling Defendant has the option to place the section 2.3.2.2 warning on the sign or poster and a section 2.2 warning in the brochure, provided, however, that if the Settling Defendant elects to place the section 2.2 warning on the poster, if the brochure includes specific nutritional information, the brochure also must include the section 2.2 warning. If the specific nutritional information about individual products is only provided in a brochure, then the section 2.2 Proposition 65 warning set forth above may be provided in the brochure only.

(d) Subject to subsection (c) above, the section 2.2 warning may be provided in the brochure if (1) the brochure indicates that it describes the nutritional content of foods served in the restaurant either by a title or heading using words such as "nutrition facts", "nutrition information," or similar heading or title; and (2) the Proposition 65 warning is set forth in type of at least the same size and visibility as the nutritional information.

2.4 Settling Defendant may, but are not required to, submit signs and/or brochures for a determination that it satisfies the requirements of this Consent Judgment. The signs and brochures attached as Exhibit A and B to this Consent Judgment are deemed to satisfy the terms of this Judgment regarding the content and appearance of warnings. No sign shall be deemed to comply with this Consent Judgment unless it has been submitted to and approved by the Attorney General.

2.5 Periodic Modification of Warning Message

2.5.1. The warning message may be modified, with the approval of the Attorney General, to include other foods or beverages.

2.6 Implementation of Warning

2.6.1. Settling Defendant shall provide its own stores and all franchisees with sufficient supply of signs, and, if that method of warning is selected, brochures, to meet the requirements of this Consent Judgment.

2.6.2. Company Restaurants. Within 60 days of entry of this Consent Judgment, Settling Defendant shall send a letter, in substantially the form and content set forth in Exhibit C, to its Company Restaurants within the State of California, directing them to post the warning in the manner described above. In addition, Settling Defendant shall include inspection for compliance with these requirements in its existing inspection programs. Settling Defendant currently maintains inspection, reporting and follow up programs that result in inspection of each of its Company Restaurants in California at least every 6 months. Where inspection shows that a Company Restaurant has not complied, Settling Defendant shall take all reasonably available steps to assure compliance within 75 days.

2.6.3. Franchise Restaurants. Within 60 days of entry of this Consent Judgment, Settling Defendant shall send a letter, in substantially the form and content set forth in Exhibit D, to its Franchise Restaurants within the State of California, instructing them to post the warning in the manner described above. This letter shall state that the franchisee is released from liability for past violations and it is in compliance with future requirements with respect to sale of the Covered Products only if the franchisee complies with the warning requirements. In addition, Settling Defendant shall include inspection for compliance with these requirements in its existing inspection, reporting and follow-up programs.

2.7. Nothing in this Consent Judgment requires that warnings be given for Covered Products sold outside the State of California.

3. PAYMENTS

3.1.(a) Settling Defendant shall pay the following total amount of $341,000, within thirty days of entry of this Consent Judgment, as follows:

1. $115,000 in civil penalties pursuant to Health and Safety Code section 25249.7(b).

2. $93,000 in civil penalties pursuant to Business and Professions Code section 17206.

3. $133,000 to be used by the Attorney General for the enforcement of Proposition 65, as further set forth in Paragraph 3.1.(b).

(b) Funds paid pursuant to paragraphs (a)(3) shall be placed in an interest-bearing Special Deposit Fund established by the Attorney General. These funds, including any interest, shall be used by the Attorney General, until all funds are exhausted, for the costs and expenses associated with the enforcement and implementation of the Safe Drinking Water and Toxic Enforcement Act of 1986 ("Proposition 65"), including investigations, enforcement actions, other litigation or activities as determined by the Attorney General to be reasonably necessary to carry out his duties and authority under Proposition 65. Such funding may be used for the costs of the Attorney General 's investigation, filing fees and other court costs, payment to expert witnesses and technical consultants, purchase of equipment, travel, purchase of written materials, laboratory

testing, sample collection, or any other cost associated with the Attorney General's duties or authority under Proposition 65. Funding placed in the Special Deposit Fund pursuant to this paragraph, and any interest derived therefrom, shall solely and exclusively augment the budget of the Attorney General's Office and in no manner shall supplant or cause any reduction of any portion of the Attorney General's budget.

3.2. Each payment required by this consent judgment shall be made through the delivery of separate checks payable to "California Department of Justice," to the attention of Edward G. Weil, Supervising Deputy Attorney General, Department of Justice, 1515 Clay Street, 20th Floor, Oakland, CA, 94612.

4. MODIFICATION OF CONSENT JUDGMENT

4.1. This Consent Judgment may be modified by written agreement of the Attorney General and Settling Defendant, after noticed motion, and upon entry of a modified consent judgment by the court thereon, or upon motion of the Attorney General or Settling Defendant as provided by law and upon entry of a modified consent judgment by the court. Before filing an application with the court for a modification to this Consent Judgment, Settling Defendant may meet and confer with the Attorney General to determine whether the Attorney General will consent to the proposed modification. If a proposed modification is agreed, then Settling Defendant and the Attorney General will present the modification to the court by means of a stipulated modification to the Consent Judgment.

4.2 If the Attorney General subsequently agrees in a settlement or judicially entered injunction or consent judgment that the Covered Products (as sold by other companies) do not require a warning under Proposition 65 (based on the presence of acrylamide), or that imposes an injunctive relief warning for Covered Products different from that imposed under this Consent Judgment; or if a court of competent jurisdiction renders a final judgment, and the judgment becomes final, in a case brought by the Attorney General, that Covered Products do not require a warning under Proposition 65, or otherwise imposes an injunctive relief warning different from that imposed by this Consent Judgment, then Settling Defendant shall be entitled to seek to modify this Consent Judgment to eliminate or modify the injunctive relief set forth in Paragraph 2, consistent

with the Attorney General's agreement or with the court judgment as described herein. Settling Defendant shall not be entitled to and may not seek a modification of the judgment simply because a court orders another company to use any "safe harbor" warning methods set out in California Code of Regulations, title 22, section 12601, subdivision (b).

4.3 If a court of competent jurisdiction renders a final judgment, and the judgment become final, in a case brought by the Attorney General or against the State of California, that federal law precludes the Settling Defendant from providing the warnings set forth in this Consent Judgment, Settling Defendant may seek to modify this Consent Judgment to bring the injunctive relief imposed herein into compliance with federal law.

4.4 If an agency of the federal government, including, but not limited to the U.S. Food and Drug Administration, states through any communication, regulation, or legally binding act, that federal law precludes the Settling Defendant from providing all of the warnings set forth in this Consent Judgment or the manner in which the warnings are given, Settling Defendant may seek to modify this Consent Judgment to bring the warnings into compliance with federal law, but the modification shall not be granted unless this Court concludes, in a final judgment or order, that federal law precludes the Settling Defendant from providing the warnings set forth in this Consent Judgment. A determination that the provision of some, but not all, forms of warning described in section 2 above (e.g., warnings in conjunction with provision of nutritional information) is not permitted shall not relieve Settling Defendant of the duty to provide one of the other warnings described under this judgment for which such determination has not been made.

4.5 If Proposition 65 or its implementing regulations are changed from their terms as they exist on the date of entry of judgment, the parties may seek modifications in the Consent Judgment as follows:

a. If the change establishes that warnings for acrylamide in the Covered Products are not required, Settling Defendant may seek a modification of this Consent Judgment to relieve it of the duty to warn.

b. If the change establishes that the warnings provided by this Consent Judgment would not comply with the law, either party may seek a modification of the Consent Judgment to conform the judgment to the change in law.

c. If the change would provide a new form or manner of an optional or safe-harbor warning, a Settling Defendant may seek a modification to provide a warning in the newly permitted form, but the modification shall not be granted unless the court finds that the new warning would not be materially less informative or likely to be seen, read, and understood than the warnings provided under this Consent Judgment.

4.6 If a Settling Defendant corresponds in writing to an agency or branch of the United States Government in connection with the application of Proposition 65 to Acrylamide in fried or baked potato products, then, so long as such correspondence is not confidential and would be retrievable by the Attorney General under the Freedom of Information Act, Settling Defendant originating such communication shall provide the Attorney General with a copy of such communication as soon as practicable, but not more than 10 days after sending or receiving the correspondence; provided, however, that this section shall not apply to correspondence to or from trade associations or other groups of which Settling Defendant is a member.

5. ENFORCEMENT

5.1. The People may, by motion or application for an order to show cause before this Court, enforce the terms and conditions contained in this Consent Judgment. In any such proceeding, the People may seek whatever fines, costs, penalties, or remedies are provided by law for failure to comply with the Consent Judgment and where said violations of this Consent Judgment constitute subsequent violations of Proposition 65 or other laws independent of the Consent Judgment and/or those alleged in the Complaint, the People are not limited to enforcement of the Consent Judgment, but may seek in another action, whatever fines, costs, penalties, or remedies are provided for by law for failure to comply with Proposition 65 or other laws. In any action brought by the People alleging subsequent violations of Proposition 65 or other laws, Settling Defendant may assert any and all defenses that are available.

6. AUTHORITY TO STIPULATE TO CONSENT JUDGMENT

6.1. Each signatory to this Consent Judgment certifies that he or she is fully authorized by the party he or she represents to stipulate to this Consent Judgment and to enter into and execute the Consent Judgment on behalf of the party represented and legally to bind that party.

7. CLAIMS COVERED

7.1. This Consent Judgment is a full, final, and binding resolution between the People and Settling Defendant, of any violation of Proposition 65, Business & Professions Code sections 17200 *et seq.*, or any other statutory or common law claims that have been or could have been asserted in the complaint against Settling Defendant for failure to provide clear and reasonable warnings of exposure to acrylamide from the use of the Covered Products, or any other claim based on the facts or conduct alleged in the Complaint, whether based on actions committed by Settling Defendant or by any entity to whom it distributes or sells Covered Products, and for any franchisee who sells or has sold Covered Products in the State of California, if that franchisee complies with Paragraph 2.6.3. As to Covered Products, compliance with the terms of this Consent Judgment resolves any issue now, in the past, and in the future concerning compliance by Settling Defendant, their parents, shareholders, divisions, subdivisions, subsidiaries, sister companies, affiliates, franchisees, cooperative members, and licensees; their distributors, wholesalers, and retailers who sell Covered Products; and the predecessors, successors, and assigns of any of them; with the requirements of Proposition 65.

8. RETENTION OF JURISDICTION

8.1. This Court shall retain jurisdiction of this matter to implement the Consent Judgment.

9. PROVISION OF NOTICE

9.1. When any party is entitled to receive any notice under this Consent Judgment, the notice shall be sent by overnight courier service to the person and address set forth in this Paragraph. Any party may modify the person and address to whom the notice is to be sent by sending each other party notice by certified mail, return receipt requested. Said change shall take effect for any notice mailed at least five days after the date the return receipt is signed by the party receiving the change.

9.2. Notices shall be sent to the following when required:

For the Attorney General:

Edward G. Weil, Supervising Deputy Attorney General
1515 Clay St., 20th Flr.
Oakland, CA 94612
Telephone: (510) 622-2149
Facsimile: (510) 622-2270

9.3 Notices for the Settling Defendant shall be sent to:

For KFC:

Matthew M. Preston
General Counsel
KFC Corporation
1441 Gardner Lane
Louisville, Kentucky 40213
Telephone: 502 874 2415
Facsimile: 502 874 8323

Jeffrey H. Dasteel
Skadden, Arps, Slate, Meagher & Flom
300 South Grand Avenue, Suite 3400
Los Angeles, California 90071
Telephone: 213 687 5206
Facsimile: 213 621 5206

10. COURT APPROVAL

10.1. This Consent Judgment shall be submitted to the Court for entry by noticed motion. If this Consent Judgment is not approved by the Court, it shall be of no force or effect and may not be used by the Attorney General or Settling Defendant for any purpose.

11. ENTIRE AGREEMENT

11.1 This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and any and all prior discussions, negotiations, commitments and understandings related hereto. No representations, oral or otherwise, express or implied, other than those contained herein have been made by any party hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be deemed to exist or to bind any of the parties.

12. EXECUTION IN COUNTERPARTS

12.1. The stipulations to this Consent Judgment may be executed in counterparts and by means of facsimile, which taken together shall be deemed to constitute one document.

IT IS SO STIPULATED:

Dated: April 20, 2007

EDMUND G. BROWN JR.
Attorney General
TOM GREENE
Chief Assistant Attorney General
THEODORA BERGER
Assistant Attorney General
EDWARD G. WEIL
Supervising Deputy Attorney General
LAURA ZUCKERMAN
Deputy Attorney General

By: _____
Edward G. Weil
Deputy Attorney General
For Plaintiffs People of the State of California

Dated:

SKADDEN ARPS MEAGHER & FLOM
Jeffrey Dasteel
Marina Bogorad

By: _____
Jeffrey Dasteel
Attorney for Defendant KFC

Dated:

By: _____

for Defendant KFC

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Attorney General
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THEODORA BERGER
Assistant Attorney General
EDWARD G. WEIL
Supervising Deputy Attorney General
LAURA ZUCKERMAN
Deputy Attorney General

By: _____
Edward G. Weil
Deputy Attorney General
For Plaintiffs People of the State of California

Dated:

SKADDEN ARPS MEAGHER & FLOM
Jeffrey Dasteel
Marina Bogorad

By: _____
Jeffrey Dasteel
Attorney for Defendant KFC

Dated:

By: _____ MKB
for Defendant KFC

EXHIBIT A

Exhibit A - Sign (Actual size 22" x 12")

Exhibit A - Sign (Actual size 22" x 12")

Keep It Balanced!

ENERGY IN = ENERGY OUT

Balance is more than just what you eat!

Just get movin'!

The Key is: Move More!

Great News! All KFC's Fried Chicken Products still have the same great taste, now with zero grams trans fat per serving.

The Taste You Love!

KFC Nutrition Information
of Selected Menu Items

Menu Item	Calories	Total Fat (grams)	Saturated Fat (grams)	Trans Fat (grams)	Sodium (mg)	Carbohydrates (grams)	Protein (grams)
CHICKEN							
Original Recipe® Breast	360	21	5	0	1020	7	37
Extra Crispy Breast	440	27	6	0	970	15	34
Extra Crispy Strips (3)	350	19	3.5	0	1190	16	29
Individual Popcorn	400	26	4.5	0	1160	22	21
Honey BBQ Wing (5)	390	24	5	0	830	23	21
Boneless Honey BBQ Wing (5)	450	20	3.5	0	1880	41	28
SIDES & DESSERTS							
Potato Wedges	260	13	2.5	0	740	33	4
Biscuit	220	11	2.5	3.5	640	24	4
Apple Pie Minis (3)	370	20	6	0	260	44	2
SANDWICHES							
KFC Snacker®	320	16	3	0	860	29	15
Crispy Twister®	600	33	7	0	1500	49	26
Oven Roasted Twister®	470	23	5	0	1260	40	28
Double Crunch Sandwich	510	28	5	0	1200	38	27
Tender Roast® Sandwich	430	18	3.5	0	1180	29	37
SALADS & MORE							
Hidden Valley® The Original Ranch® Dressing (1)	200	20	3	0	470	3	1
BEVERAGES							

✓ Items with 10 grams of fat or less

WARNING: Chemicals known to the State of California to cause cancer, or birth defects or other reproductive harm may be present in foods or beverages sold or served here. For information about specific foods, see the nutrition brochure.

Nutrition Facts

EXHIBIT B

Exhibit B - Brochure

Just get movin'!

The Key is: Move More!

Great News! All KFC's Fried Chicken Products still have the same great taste, now with zero grams trans fat per serving.

Exhibit B - Brochure

Options To Help You Keep It Balanced!

Option 1:

- Roasted Caesar Salad (without Croutons) with 1 package of Hidden Valley® Original Ranch® Fat Free Dressing
- 1 medium Diet Pepsi®

Option 2:

- Oven Roasted Twister® (hold the Sauce)
- House side salad with 1 package of Hidden Valley® Original Ranch® Fat Free Dressing
- 1 medium Diet Pepsi®

Option 3:

- Original Recipe® Chicken Breast (go skinless)
- Mashed potatoes (hold the gravy)
- Corn on the cob
- 1 medium Diet Pepsi®

Tips to Keep it Balanced

Eat a variety of foods
Eat moderate portions
Start your day with breakfast
Eat more vegetables, grains and fruit
Get enough activity to burn what you eat

MyPyramid.gov
STEPS TO A HEALTHIER YOU

For more information go to www.mypyramid.gov

Exhibit B - Brochure

Keep It Balanced!

KFC has built a reputation on quality for more than 50 years. We proudly serve customers great tasting home-style meals for the whole family to enjoy. Visit KFC and dine with us or bring back dinner with chicken fresh from our kitchen to yours.

Nutrition Guide

Menu Item	Serving Size (gms)	Calories	Calories from Fat	Total Fat (grms)	%Daily Value**	Saturated Fat (grms)	%Daily Value**	Trans Fat (grms)	Cholesterol (mgs)	%Daily Value**	Sodium (mgs)	%Daily Value**	Carbohydrates (gms)	%Daily Value**	Dietary Fiber (gms)	%Daily Value**	Sugars (gms)	Protein (gms)
SALADS & MORE																		
✓ Roasted Caesar Salad without Dressing & Croutons	301	220	80	8	12	4.5	23	0	70	23	830	35	6	2	3	12	3	30
Crispy Caesar Salad without Dressing & Croutons	315	350	170	19	29	6	30	0	70	23	1080	45	16	5	3	12	3	29
✓ Caesar Side Salad without Dressing & Croutons	82	50	30	3	5	2	10	0	10	3	135	6	2	1	1	4	1	4
✓ Roasted BLT Salad without Dressing	347	200	80	8	9	2	10	0	65	22	880	37	8	3	4	16	5	29
Crispy BLT Salad without Dressing	360	330	150	17	26	4	20	0	65	22	1130	47	18	6	4	16	5	28
✓ House Side Salad without Dressing	90	15	0	0	0	0	0	0	0	0	10	0	2	1	1	4	2	1
Hidden Valley® The Original Ranch® Dressing (1)	57	200	180	20	31	3	15	0	25	8	470	19	3	1	0	0	1	1
✓ Hidden Valley® The Original Ranch® Fat Free Dressing (1)	43	35	0	0	0	0	0	0	0	0	410	17	8	3	0	0	2	1
✓ Hidden Valley® Golden Italian Light Dressing (1)	43	45	25	2.5	4	0	0	0	0	0	880	28	6	2	0	0	5	0
KFC® Creamy Parmesan Caesar Dressing (1)	57	260	230	26	40	5	25	0	15	5	540	23	4	1	0	0	2	2
✓ KFC® Parmesan Garlic Croutons Pouch (1)	14	70	25	3	5	0	0	0	0	0	150	6	6	3	0	0	1	2
SANDWICHES																		
KFC Snacker®	119	320	140	16	25	3	15	0	30	10	660	28	29	10	1	4	4	15
✓ KFC Snacker®, Buffalo	118	280	80	8	12	1.5	8	0	25	8	880	38	31	10	1	4	4	15
KFC Snacker®, Fish	120	330	130	15	23	3	15	0	60	20	710	30	31	10	1	4	6	17
KFC Snacker®, Ultimate Cheese	120	280	100	11	17	2.5	13	0.5	25	8	780	33	30	10	1	4	5	15
✓ KFC Snacker®, Honey BBQ	101	210	30	3	5	0.5	3	0	40	13	530	22	32	11	2	8	12	14
✓ Honey BBQ Sandwich	147	280	30	3.5	5	1	5	0	60	20	780	33	40	13	3	12	16	22
Double Crunch Sandwich	213	510	250	28	43	5	25	0	55	18	1200	50	38	13	2	8	4	27
Crispy Twister®	252	600	300	33	51	7	35	0	55	18	1500	63	49	16	3	12	5	26
Oven Roasted Twister®	269	470	200	23	35	5	25	0	60	20	1260	53	40	13	3	12	5	28
✓ Oven Roasted Twister® without Sauce	247	330	70	7	11	2.5	13	0	50	17	1120	47	39	13	3	12	5	28
Tender Roast® Sandwich	236	430	160	18	28	3.5	18	0	80	27	1180	49	29	10	2	8	4	37
✓ Tender Roast® Sandwich without Sauce	217	300	40	4.5	7	1.5	8	0	70	23	1060	44	28	9	2	8	3	37
CHICKEN																		
✓ OR Chicken - Whole Wing	47	130	70	8	12	2	10	0	50	17	350	15	4	1	0	0	0	11
OR Chicken - Breast	161	360	190	21	32	5	25	0	115	38	1020	43	7	2	0	0	0	37
✓ OR Chicken - Breast without skin or breading	108	140	20	2	3	0	0	0	65	22	520	22	1	0	0	0	0	29
✓ OR Chicken - Drumstick	59	130	70	8	12	2	10	0	65	22	350	15	2	1	0	0	0	12
OR Chicken - Thigh	126	330	220	24	37	6	30	0	110	37	870	36	8	3	0	0	0	20
EC Chicken - Whole Wing	52	170	100	11	17	2.5	13	0	55	18	350	15	6	2	1	4	0	12
EC Chicken - Breast	162	440	250	27	42	6	30	0	105	35	970	40	15	5	0	0	0	34
✓ EC Chicken - Drumstick	60	160	90	10	15	2	10	0	55	18	370	15	6	2	0	0	0	12
EC Chicken - Thigh	114	370	250	28	43	6	30	0	85	28	850	35	12	4	0	0	0	18
STRIPS																		
Crispy Strips (3)	151	350	170	19	29	3.5	18	0	70	23	1190	50	16	5	0	0	0	29
Crispy Strips (2)	102	240	110	13	20	2.5	13	0	50	17	800	33	11	4	0	0	0	20
POPCORN CHICKEN																		
Popcorn Chicken - Kids	85	290	170	19	29	3.5	18	0	40	13	850	35	16	5	2	8	0	16
Popcorn Chicken - Individual	116	400	230	26	40	4.5	23	0	60	20	1160	48	22	7	3	12	0	21
Popcorn Chicken - Large	160	550	320	35	54	6	30	0	80	27	1600	67	30	10	3	12	0	29
POT PIE / BOWLS																		
Chicken Pot Pie	423	770	360	40	62	15	75	14	115	38	1660	70	70	23	5	20	2	33
KFC Famous Bowls™ - Mashed Potato with Gravy	531	740	320	35	54	9	45	1.5	60	20	2350	98	80	27	7	28	6	27
KFC Famous Bowls™ - Rice with Gravy	384	620	250	28	43	7	35	1	60	20	2150	90	67	22	6	24	7	26
WINGS																		
HBBQ Wings (5)	131	390	220	24	37	5	25	0	105	35	830	35	23	8	3	12	9	21
Boneless HBBQ Wings (5)	178	450	180	20	31	3.5	18	0	65	22	1880	78	41	14	4	16	11	28
Fiery Buffalo Wings (5)	142	380	220	24	37	5	25	0	105	35	1480	62	19	6	2	8	1	21
Boneless Fiery Buffalo Wings (5)	176	420	180	20	31	3.5	18	0	65	22	2260	94	33	11	3	12	1	28
Sweet & Spicy Wings (5)	131	400	220	24	37	5	25	0	105	35	760	32	24	8	2	8	13	21
Boneless Sweet & Spicy Wings (5)	169	440	180	19	29	3.5	18	0	65	22	1700	71	38	13	3	12	11	27
Hot Wings® (5)	112	350	220	24	37	5	25	0	105	35	740	31	14	5	2	8	0	20
SIDES (INDIVIDUAL)																		
✓ Green Beans	56	50	15	1.5	2	0	1	0	5	2	570	24	7	2	2	8	2	2
✓ Seasoned Rice	99	150	10	1	2	0	0	0	0	0	630	26	32	11	2	8	1	4
✓ Mashed Potatoes without Gravy	108	110	35	4	6	1	5	0	0	0	320	13	17	6	1	4	0	2
✓ Mashed Potatoes with Gravy	151	140	45	5	8	1	5	0.5	0	0	560	23	20	7	1	4	1	2
✓ Macaroni and Cheese	136	180	80	8	12	3.5	18	1	15	5	800	33	18	6	0	0	3	8
Potato Wedges	102	260	110	13	20	2.5	13	0	0	0	740	31	33	11	3	12	0	4
✓ Corn on the Cob (3")	62	70	15	1.5	2	0.5	3	0	0	0	5	0	13	4	3	12	5	2
✓ Corn on the Cob (5.5")	162	150	25	3	5	1	5	0	0	0	10	0	26	9	7	28	10	5
✓ Baked Beans	136	220	10	1	2	0	0	0	0	0	730	30	45	15	7	28	20	8
✓ Potato Salad	128	180	80	9	14	1.5	8	0	5	2	470	20	22	7	2	8	6	2
✓ Cole Slaw	130	180	90	10	15	1.5	8	0	5	2	270	11	22	7	3	12	18	1
Biscuit	57	220	100	11	17	2.5	13	3.5	0	0	640	27	24	8	1	4	2	4
✓ Baked Cheetos®	25	120	45	4.5	7	1	5	0	0	0	210	9	17	6	0	0	1	2
DESSERTS																		
✓ Quaker Chewy® S'mores Granola Bar	24	100	20	2	3	0.5	3	0	0	0	80	3	19	6	1	3	8	1
Apple Pie Minis (3)	114	370	180	20	31	6	30	0	0	0	260	11	44	15	2	8	19	2
Double Choc. Chip Cake	78	330	140	16	25	4	20	1	50	17	260	11	41	14	1	4	28	4
Lil' Bucket™ Fudge Brownie	99	280	90	11	17	4	20	0.5	20	7	200	8	43	14	1	4	30	3
Lil' Bucket™ Lemon Crème	127	410	140	15	23	7	35	1.5	0	0	270	11	61	20	2	8	53	7
Lil' Bucket™ Chocolate Cream	113	260	120	13	20	9	45	1	0	0	230	10	38	13	3	12	21	3
✓ Lil' Bucket™ Strawberry Short Cake	99	210	70	7	11	5	25	0	10	3	125	5	33	11	1	4	25	2
✓ Sweet Life Sugar Cookie	35	160	60	6	9	2.5	13	0	5	2	120	5	23	8	0	0	10	2
✓ Sweet Life Oatmeal Raisin Cookie	35	150	50	5	8	2.5	13	0	5	2	135	6	24	8	1	4	12	2
✓ Sweet Life Chocolate Chip Cookie	35	160	70	7	11	3.5	18	0	10	3	95	4	23	8	1	4	14	2
BEVERAGES* **																		
✓ Tropicana® 100% Juice Fruit Punch	7 fl. oz.	120	0	0	0	0	0	0	0	0	20	1	27	9	0	0	26	0
✓ Pepsi® (Medium)	14 fl. oz.	180	0	0	0	0	0	0	0	0	45	2	47	16	0	0	47	0
✓ Diet Pepsi® (Medium)	14 fl. oz.	0	0	0	0	0	0	0	0	0	45	2	0	0	0	0	0	0
✓ Mt. Dew® (Medium)	14 fl. oz.	190	0	0	0	0	0	0	0	0	90	4	54	18	0	0	54	13

** Percent daily values are based on a 2000 calorie diet. Your daily values may be higher or lower depending on your caloric needs.

CALORIES		2000	2500
Total Fat	Less Than	65g	80g
Sat Fat	Less Than	20g	25g
Cholesterol	Less Than	300mg	300mg
Sodium	Less Than	2,400mg	2,400mg
Total Carbohydrate		300g	375g
Dietary Fiber		25g	30g

gms = gram mgs = milligram

Substitution of ingredients may alter nutritional values. Menu items and hours of availability may vary at participating locations. Although this data is based on standard portion product guidelines, variation can be expected due to seasonal influences, minor differences in product assembly per restaurant and other factors. Except for limited time offerings or test market items, menu products as of this printing are included in this brochure. Product data is based on current formulation as of date of publication. If you have any questions about KFC® and nutrition or are particularly sensitive to specific ingredients or foods, please contact us at 1-800-CALL-KFC.

WARNING: Fried potatoes, including both french fries and potato chips, contain acrylamide, a chemical known to the State of California to cause cancer. This chemical is not added to our foods, but is naturally created when certain foods are browned. It is created in fried and baked potatoes made at all restaurants, by other companies, and even when you bake or fry potatoes at home. Many companies are looking for ways to significantly reduce acrylamide in their foods, but have not yet found ways to do so. Many other foods, such as toasted cereals and breads, and coffee, contain acrylamide in varying amounts, but generally less than fried potatoes. Your personal cancer risk is affected by a wide variety of factors. The U.S. FDA encourages people to continue to eat a wide variety of whole grain cereals, breads, fruits and vegetables. The FDA has not advised people to stop eating baked or fried potatoes. For more information see www.fda.gov/bbs/topic/news/2004/NEW01040.html.

✓ Items with [illegible]

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EXHIBIT C

To: KFC RGMs in California

From: Matthew Preston, KFCC Chief Legal Officer

Date: April 20, 2007

Re: ACTION REQUIRED

KFC Corporation has entered into a consent judgment with the Attorney General for the State of California regarding a lawsuit against KFC concerning the formation of acrylamide in potato wedges.

Under the terms of this consent judgment, **all company restaurants in California are required to post the enclosed nutritional poster and brochures. Immediately replace the existing nutritional poster and brochures with the updated version enclosed.** Discard existing brochures/posters after removing.

Guidelines for posting nutritional brochures/poster:

- The poster must be located at or on the counter where food is purchased, on a wall either adjacent and parallel to or clearly visible to consumers standing at the counter where food is purchased or at any other place reasonably likely to be seen and read by customers entering the restaurant to order food.
- The poster may not be located at any of the following locations: On an entrance or exit door, on a window, on a restroom door, in a restroom, in a hallway that leads only to restrooms, on a refuse container.

Your compliance is mandatory and will be checked as part of Champs Excellence Review evaluations. If you run out of brochures, need a new poster, or have questions contact [insert name] immediately.

EXHIBIT D

To: All KFCC Franchisees with Restaurants in California

From: Matthew Preston, KFCC Chief Legal Officer

Date: April 20, 2007

Re: ACTION REQUIRED

KFC Corporation has entered into a consent judgment with the Attorney General for the State of California regarding a lawsuit against KFCC concerning the formation of acrylamide in potato wedges.

Under the terms of this consent judgment, all company and franchise restaurants in California are required to post the enclosed nutritional poster and brochures. Immediately replace the existing nutritional poster and brochures with the updated version enclosed. Discard existing brochures/posters after removing.

Guidelines for posting nutritional brochures/poster:

- The poster must be located at or on the counter where food is purchased, on a wall either adjacent and parallel to or clearly visible to consumers standing at the counter where food is purchased or at any other place reasonably likely to be seen and read by customers entering the restaurant to order food.
- The poster may not be located at any of the following locations: On an entrance or exit door, on a window, on a restroom door, in a restroom, in a hallway that leads only to restrooms, on a refuse container.

If you cannot comply with these instructions due to lack of a suitable location for the poster, contact [insert name] to discuss alternatives. Your compliance is mandatory and will be checked as part of KFCC's routine Champs Excellence Review evaluations. If you run out of brochures, need a new poster, or have questions contact [insert name] immediately.

IMPORTANT: ALTHOUGH YOU WERE NOT SUED BY THE ATTORNEY GENERAL, KFC CORPORATION HAS OBTAINED A CONDITIONAL RELEASE ON YOUR BEHALF. FOR THE RELEASE TO BE EFFECTIVE, YOU MUST COMPLY WITH THE TERMS OF THIS COMMUNICATION.

Exhibit D