

PETROBRAS - PETROLEO BRASILEIRO SA
Form 6-K
July 02, 2012

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 of the
Securities Exchange Act of 1934

For the month of June, 2012

Commission File Number 1-15106

PETRÓLEO BRASILEIRO S.A. - PETROBRAS

(Exact name of registrant as specified in its charter)

Brazilian Petroleum Corporation - PETROBRAS

(Translation of Registrant's name into English)

**Avenida República do Chile, 65
20031-912 - Rio de Janeiro, RJ
Federative Republic of Brazil**
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

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This report on Form 6-K is incorporated by reference in the Registration Statement on Form F-3 of Petróleo Brasileiro -- Petrobras (No. 333-163665).

Execution of Agreement: Pasadena Refinery

Rio de Janeiro, June 29, 2012 – Petróleo Brasileiro S.A. – Petrobras announces that executed today an agreement that terminates all the existing lawsuits between its subsidiaries and the companies of the Belgian group Transcor/Astra, holding of Astra Oil Trading NV (Astra). The lawsuits stem from the period of partnership between Astra and Petrobras America Inc. (PAI), a subsidiary of Petrobras, in the Pasadena Refining System, Inc. (PRSI), owner of the Pasadena Refinery in Texas and the Trading Company.

The agreement also ends the legal issue concerning the arbitration process that had recognized Astra's put option for PAI's ownership interest (50%) at PRSI and Trading Company.

PAI will pay the amount of the put option set by a report dated April 10, 2009, issued during the arbitration mentioned above, plus interest and other expenses, totaling US\$ 820.5 million. This amount had been provisioned in Petrobras' financial statements, remaining the amount of approximately US\$ 70 million to be written down in the company's second quarter 2012 results.

With this agreement, the parties receive full and general release regarding all the lawsuits, one of which confirms the amount of the shares set by the arbitration report cited above, therefore confirming PAI's 100% control at PRSI and Trading Company.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: June 29, 2012

PETRÓLEO BRASILEIRO S.A--PETROBRAS

By:

/s/ Almir Guilherme Barbassa

Almir Guilherme Barbassa
Chief Financial Officer and Investor Relations
Officer

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (Exchange Act) that are not based on historical facts and are not assurances of future results. These forward-looking statements are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.

All forward-looking statements are expressly qualified in their entirety by this cautionary statement, and you should not place reliance on any forward-looking statement contained in this press release. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or future events or for any other reason.
