

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.

