

PETROBRAS - PETROLEO BRASILEIRO SA
Form 6-K
December 28, 2018

UNITED STATES
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 December, 2018
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

Executive Board approves protection mechanism complementary to the diesel pricing policy

Rio de Janeiro, December 28, 2018 - Petróleo Brasileiro SA - Petrobras, in addition to the material facts disclosed on 10/14/2016 and 06/30/17, informs that its Executive Board approved, yesterday, a complementary protection mechanism, aiming to give additional flexibility to the management of the diesel price policy, as it already exists for gasoline, as disclosed to the market on 09/06/18.

Petrobras believes that it is important to implement mechanisms that allow it, at times of high market volatility, to have the option to change the frequency of daily domestic diesel price adjustments, and may even keep it stable for short periods of time, up to seven days, reconciling its business interests with the demands of their clients and market agents in general.

The company will have the option to apply the mechanism after the end of the Union's economic subvention program for the commercialization of diesel, predicted for 12/31/2018, whenever it deems necessary, and in order to give a financial result equivalent to that which would be obtained with the company's current pricing policy.

The principles of international parity price (PPI), margins to remunerate the risks inherent to the operation and level of market participation remain in force, as well as the correlation with the variations of the price of diesel in the international market and the exchange rate.

www.petrobras.com.br/ir

Contacts:

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FORWARD-LOOKING STATEMENTS

This release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are subject to risks and uncertainties. The forward-looking statements, which address the Company's expected business and financial performance, among other matters, contain words such as believe, expect, estimate, anticipate, optimistic, intend, plan, aim, will, may, should, could, would, likely, and similar expressions cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. There is no assurance that the expected events, trends or results will actually occur. 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.

The Company's actual results could differ materially from those expressed or forecast in any forward-looking statements as a result of a variety of assumptions and factors. These factors include, but are not limited to, the following: (i) failure to comply with laws or regulations, including fraudulent activity, corruption, and bribery; (ii) the outcome of ongoing corruption investigations and any new facts or information that may arise in relation to the Lava Jato Operation ; (iii) the effectiveness of the Company's risk management policies and procedures, including operational risk; and (iv) litigation, such as class actions or proceedings brought by governmental and regulatory agencies. A description of other factors can be found in the Company's Annual Report on Form 20-F for the year ended December 31, 2017, and the Company's other filings with the U.S. Securities and Exchange Commission.

SIGNATURES

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: December 28, 2018.

PETRÓLEO BRASILEIRO S.A PETROBRAS

By: /s/ Rafael Salvador Grisolia
Rafael Salvador Grisolia
Chief Financial Officer and Investor Relations
Officer