

PETROLEUM & RESOURCES CORP  
Form 40-17G  
May 03, 2007  
May 2, 2007

Securities and Exchange Commission

450 Fifth Street, N.W.

Washington, D.C. 20549

Attention: Division of Investment Management

Dear Sir or Madam:

We are filing electronically herewith, pursuant to Rule 17g-1 under the Investment Company Act of 1940, as amended (the "1940 Act"), the following items with respect to the joint insured Investment Company Bond covering Petroleum & Resources Corporation ("Petroleum") and The Adams Express Company ("Adams Express"), as well as the Petroleum & Resources Corporation Employees' Retirement Plan, the Petroleum & Resources Corporation Employee Thrift Plan, The Adams Express Company Employees' Retirement Plan, and The Adams Express Company Employee Thrift Plan (collectively, the "Plans"):

I. A certified copy of resolutions adopted by a majority of the members of the Board of Directors of Petroleum who are not interested persons at a meeting of the Board held on February 7, 2007; and

J. A copy of Investment Company Bond No. 547-97-35-03, showing coverage of \$3,970,000, effective February 25, 2007, which was received in executed form by the Corporation on or about May 1, 2007.

Were it not to hold a joint insured bond with Adams Express and the Plans, Petroleum would be required to maintain a fidelity bond in the amount of \$1,000,000.

The premium for renewal of this bond was paid on or about March 8, 2007.

A copy of the current agreement entered into by Petroleum, Adams Express, and the Plans pursuant to Rule 17g-1(f) under the 1940 Act is attached.

Very truly yours,

PETROLEUM & RESOURCES CORPORATION

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| By: | /s/ Lawrence L. Hooper, Jr                  |
|     | Lawrence L. Hooper, Jr                      |
|     | Vice President, General Counsel & Secretary |





































PETROLEUM & RESOURCES CORPORATION

RESOLUTIONS ADOPTED AT A MEETING

OF THE BOARD OF DIRECTORS

February 7, 2007

At a meeting of the Board of Directors, the following resolutions were adopted by unanimous vote, including the votes of a majority of the members of the Board of Directors who are not "interested persons" as defined in Section 2(a) (19) of the Investment Company Act of 1940:

RESOLVED, that, with due consideration to all relevant factors, including, but not limited to, the value of the aggregate assets of this Corporation to which any person covered by the bond may singly, or jointly with others, have access to securities or funds of this Corporation either directly or through authority to draw upon such funds or to direct generally the disposition of such securities, the type and terms of the arrangements made for the custody and safekeeping of such assets, and the nature of the securities in this Corporation's portfolio, the determination by a majority of the Directors who are not "interested persons", as defined in Section 2(a) (19) of the Act, that the joint insured bond to be maintained by this Corporation together with Adams, the Employees' Retirement Plans and the Employee Thrift Plans of the Corporation and Adams, as their respective interests may appear, shall be in the aggregate amount of \$3,970,000, and that such a bond is reasonable in such amount is hereby affirmed and such bond shall be of the type and in the form issued by the Great American Insurance Company; and further

RESOLVED, that, with due consideration of the number of parties other than this Corporation to be insured under the joint insured bond, the nature of the business activities of such parties, the amount of the joint insured bond, the amount of the annual premium therefor, namely, at or about \$13,140, based on the quote provided, the ratable allocation of such annual premium among all parties named under the joint insured bond as insureds, and the extent to which the share of the premium allocated to this Corporation is less than the premium which this Corporation would have had to pay if it had provided and maintained a single insured bond, yet proportionate to the coverage, the determination by a majority of the Directors who are not "interested persons" as defined in Section 2(a) (19) of the Act that this Corporation pay at or about \$4,993 of the premium for such joint insured bond, be and it hereby is approved, and that the proper officers of this Corporation be and they hereby are, authorized and directed to make such payment to or for the account of Great American Insurance Company, the issuer thereof; and further

RESOLVED, that the form, terms and provisions of the Joint Insured Bond Agreement dated as of February 9, 2000, among this Corporation, Adams, and both Companies' Employees' Retirement Plans and Employee Thrift Plans providing that in the event of recovery under the joint insured bond as a result of a loss sustained by this Corporation and one or more other named insureds, this Corporation will receive an equitable and proportionate share of the recovery (at least equal to the amount which the Corporation would have received had it provided and maintained a single insured bond with the minimum coverage required by Rule 17(g)-1(d) (1) under the Act), are hereby reaffirmed; and further

RESOLVED, that the Secretary of this Corporation is hereby designated as the officer who shall make the filings and give the notices required by Rule 17(g)-1(g) under the Act; and further

RESOLVED, that the proper officers of this Corporation are hereby authorized and directed to take any and all actions which they, with advice from counsel, determine necessary to carry out the requirements of Rule 17(g)-1 under the Act, and to carry out the undertakings of the previous resolutions.

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I, Lawrence L. Hooper, Jr., the duly elected Vice President, General Counsel and Secretary of Petroleum & Resources Corporation, a Maryland corporation, hereby certify the foregoing to be a true copy of the resolutions adopted at a meeting of the Board of Directors of the Corporation on February 7, 2007, at which meeting a quorum of the Board was present and voted on the resolutions. I further certify that said resolutions continue in full force and effect.

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| ATTEST: | Lawrence L. Hooper, Jr.                       |
|         | Lawrence L. Hooper, Jr.                       |
|         | Vice President, General Counsel and Secretary |

Baltimore, Maryland

May 2, 2007

JOINT INSURED BOND AGREEMENT

AGREEMENT, dated as of February 10, 2000, between THE ADAMS EXPRESS COMPANY, a Maryland corporation ("Adams"), PETROLEUM & RESOURCES CORPORATION, a Maryland Corporation ("Petroleum"), THE ADAMS EXPRESS COMPANY EMPLOYEES' RETIREMENT PLAN, THE ADAMS EXPRESS COMPANY EMPLOYEE THRIFT PLAN, THE PETROLEUM & RESOURCES CORPORATION EMPLOYEES' RETIREMENT PLAN and THE PETROLEUM & RESOURCES CORPORATION EMPLOYEE THRIFT PLAN (collectively the "Plans")

W

ITNESSETH:

WHEREAS, Adams, Petroleum and the Plans have agreed to provide and maintain with Federal Insurance Company a joint insured bond ("Joint Insured Bond") as defined in Rule 17g-1(b)(3) promulgated under the Investment Company Act of 1940, as amended ("Act"), in the aggregate amount of \$4,050,000 (as such amount may be increased or decreased from time to time in accordance with the Act

and other applicable laws); and

WHEREAS, the parties hereto desire to enter into an agreement in accordance with Rule 17g-1(f) promulgated under the Act;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto agree as follows:

Section 1. The parties to this Agreement, jointly and severally, agree that in the event that recovery is received under the Joint Insured Bond as a result of a loss sustained, in whole or in part, by Adams or Petroleum or by each of them, Adams or Petroleum or each of them, as the case may be, shall receive an equitable and proportionate share of such recovery but such share shall be at least equal to and not in any event less than the amount which either Adams or Petroleum or each of them would have received had each provided and maintained a single insured bond (as defined in Rule 17g-1(b)(2) promulgated under the Act) with the minimum coverage required by Rule 17g-1(d)(1) promulgated under the Act.

Section 2.

- a. This Agreement may be executed by the parties hereto in separate counterparts each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.
- b. Neither this Agreement nor any of the terms thereof may be terminated, amended, supplemented, waived or modified orally, but only by an instrument in writing signed by all the parties hereto.
- c. The terms of this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.
- d. This Agreement shall in all respects be governed by, and construed in accordance with, the laws of the State of Maryland, including all matters of construction, validity and performance.
- e.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective officers thereunto duly authorized as of the day and year first above written.

THE ADAMS EXPRESS COMPANY

|     |   |
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| By: | /s/ Douglas G. Ober                               |
|     | Douglas G. Ober                                   |
|     | Chairman of the Board and Chief Executive Officer |

PETROLEUM & RESOURCES CORPORATION

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|-----|---|
| By: | /s/ Douglas G. Ober                               |
|     | Douglas G. Ober                                   |
|     | Chairman of the Board and Chief Executive Officer |

THE ADAMS EXPRESS COMPANY

EMPLOYEES' RETIREMENT PLAN

|     |                             |
|-----|-----------------------------|
| By: | /s/ Lawrence L. Hooper, Jr. |
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|  | Lawrence L. Hooper, Jr.                     |
|  | Vice President, Secretary & General Counsel |

THE ADAMS EXPRESS COMPANY

EMPLOYEE THRIFT PLAN

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|-----|---|
| By: | /s/ Lawrence L. Hooper, Jr.                 |
|     | Lawrence L. Hooper, Jr.                     |
|     | Vice President, Secretary & General Counsel |

THE PETROLEUM & RESOURCES CORPORATION

EMPLOYEES' RETIREMENT PLAN

|     |   |
|-----|---|
| By: | /s/ Lawrence L. Hooper, Jr.                 |
|     | Lawrence L. Hooper, Jr.                     |
|     | Vice President, Secretary & General Counsel |

THE PETROLEUM & RESOURCES CORPORATION

EMPLOYEE THRIFT PLAN

|     |   |
|-----|---|
| By: | /s/ Lawrence L. Hooper, Jr.                 |
|     | Lawrence L. Hooper, Jr.                     |
|     | Vice President, Secretary & General Counsel |