

PETROLEUM & RESOURCES CORP
Form 40-17G
March 06, 2015
March 6, 2015

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 Qualified and Non-qualified Employee Thrift Plans, The Adams Express Company Employees' Retirement Plan, and The Adams Express Company Qualified and Non-qualified Employee Thrift Plans, (collectively, the "Plans"):

1. 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 13, 2015; and
2. A copy of Financial Institution Investment Company Asset Protection Bond No. 82416675, showing coverage of \$5,000,000, effective February 25, 2015, which was received by the Corporation on or about February 27, 2015.

Were it not to hold a joint insured bond with Adams Express, 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 6, 2015.

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

By: /s/ Lawrence L. Hooper, Jr

Lawrence L. Hooper, Jr

Vice President, General Counsel & Secretary

Important Notice:

The SEC Requires Proof of Your Fidelity Insurance Policy

Your company is now required to file an electronic copy of your fidelity insurance coverage (Chubb's ICAP Bond policy) to the Securities and Exchange Commission (SEC), according to rules adopted by the SEC on June 12, 2006.

Chubb is in the process of providing your agent/broker with an electronic copy of your insurance policy as well as instructions on how to submit this proof of fidelity insurance coverage to the SEC. You can expect to receive this information from your agent/broker shortly.

The electronic copy of your policy is provided by Chubb solely as a convenience and does not affect the terms and conditions of coverage as set forth in the paper policy you receive by mail. The terms and conditions of the policy mailed to you, which are the same as those set forth in the electronic copy, constitute the entire agreement between your company and Chubb.

If you have any questions, please contact your agent or broker.

Form 14-02-12160 (ed. 7/2006)

IMPORTANT NOTICE TO POLICYHOLDERS

All of the members of the Chubb Group of Insurance companies doing business in the United States (hereinafter "Chubb") distribute their products through licensed insurance brokers and agents ("producers"). Detailed information regarding the types of compensation paid by Chubb to producers on US insurance transactions is available under the Producer Compensation link located at the bottom of the page at www.chubb.com, or by calling 1-866-588-9478. Additional information may be available from your producer.

Thank you for choosing Chubb.

10-02-1295 (ed. 6/2007)

Chubb Group of Insurance Companies

15 Mountain View Road, Warren, New Jersey 07059

**DECLARATIONS
FINANCIAL INSTITUTION
INVESTMENT
COMPANY ASSET PROTECTION
BOND**

NAME OF ASSURED (including its **Subsidiaries**):

Bond Number: 82416675

ADAMS EXPRESS CO AND PETROLEUM & RESOURCES CORP

FEDERAL INSURANCE COMPANY

500 EAST PRATT STREET, SUITE 1300
BALTIMORE, MD 21202

Incorporated under the laws of Indiana
a stock insurance company herein called the COMPANY
Capital Center, 251 North Illinois, Suite
1100
Indianapolis, IN 46204-1927

ITEM 1. BOND PERIOD: from 12:01 a.m. on February 25, 2015
to 12:01 a.m. on February 25, 2016

ITEM 2. LIMITS OF LIABILITY--DEDUCTIBLE AMOUNTS:

If "Not Covered" is inserted below opposite any specified INSURING CLAUSE, such INSURING CLAUSE and any other reference shall be deemed to be deleted. **There shall be no deductible applicable to any loss under INSURING CLAUSE 1. sustained by any Investment Company.**

INSURING CLAUSE	LIMIT OF LIABILITY	DEDUCTIBLE	
			AMOUNT
1 . Employee	\$ 5,000,000	\$	5,000
2 . On Premises	\$ 5,000,000	\$	5,000
3 . In Transit	\$ 5,000,000	\$	5,000
4 . Forgery or Alteration	\$ 5,000,000	\$	5,000
5 . Extended Forgery	\$ 5,000,000	\$	5,000
6 . Counterfeit Money	\$ 5,000,000	\$	5,000
7 . Threats to Person	\$ 5,000,000	\$	5,000
8 . Computer System	\$ 5,000,000	\$	5,000

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9 .	Voice Initiated Funds Transfer Instruction	\$	5,000,000 \$	5,000
10 .	Uncollectible Items of Deposit	\$	100,000 \$	5,000
11 .	Audit Expense	\$	50,000 \$	5,000
	Telefacsimile			
12 .	Instruction	\$	5,000,000 \$	5,000
13 .	Unauthorized Signature	\$	5,000,000 \$	5,000
14 .	Stop Payment	\$	100,000 \$	5,000

ITEM 3. THE LIABILITY OF THE COMPANY IS ALSO SUBJECT TO THE TERMS OF THE FOLLOWING ENDORSEMENTS EXECUTED SIMULTANEOUSLY HEREWITH:

1 - 9

IN WITNESS WHEREOF, THE COMPANY has caused this Bond to be signed by its authorized officers, but it shall not be valid unless also signed by an authorized representative of the Company.

The COMPANY, in consideration of payment of the required premium, and in reliance on the APPLICATION and all other statements made and information furnished to the COMPANY by the ASSURED, and subject to the DECLARATIONS made a part of this Bond and to all other terms and conditions of this Bond, agrees to pay the ASSURED

for:

Insuring Clauses

Dishonesty

1 . A. Employee

Loss resulting directly from dishonest acts, other than stated in 1.B. below, of any **Employee**, committed alone or in collusion with others except with a director or trustee of the ASSURED who is not an **Employee**, which result in improper personal financial gain to either such **Employee** or other natural person acting in collusion with such **Employee**, or which acts were committed with the intent to cause the ASSURED to sustain such loss.

B. Trade or Loan

Loss resulting directly from dishonest acts of any **Employee**, committed alone or in collusion with others except with a director or trustee of the ASSURED who is not an **Employee**, which arises totally or partially from:

(1) any **Trade**, or

(2) any **Loan**,

provided, however, the ASSURED shall first establish that the loss was directly caused by dishonest acts of any **Employee** which result in improper personal financial gain to such **Employee** and which acts were committed with the intent to cause the ASSURED to sustain such loss.

Notwithstanding the foregoing, when a loss is covered under this INSURING CLAUSE and the **Employee** was acting in collusion with others and intended to receive improper personal financial gain, but said **Employee** failed to derive such improper personal financial gain, such loss will nevertheless be covered under this INSURING CLAUSE as if the **Employee** had obtained such improper personal financial gain provided that the ASSURED establishes that the **Employee** intended to receive such improper personal

financial gain.

C. General Agent

Loss resulting directly from dishonest acts of any **General Agent**, committed alone on in collusion with others except with a director or trustee of the ASSURED who is not an **Employee**, provided, however, the ASSURED shall first establish that the loss was directly caused by dishonest acts of any **General Agent**, which result in improper personal financial gain to such **General Agent** and which acts were committed with the intent to cause the ASSURED to sustain such loss.

Insuring Clauses

*Dishonesty
(continued)*

- D. Soliciting Agent
Loss resulting directly from dishonest acts of any **Soliciting Agent**, committed alone or in collusion with others except with a director or trustee of the ASSURED who is not an **Employee**, provided, however, the ASSURED shall first establish that the loss was directly caused by dishonest acts of any **Soliciting Agent**, which result in improper personal financial gain to such **Soliciting Agent** and which acts were committed with the intent to cause the ASSURED to sustain such loss.
- E. Third Party Administrator
Loss resulting directly from dishonest acts of any **Third Party Administrator**, committed alone or in collusion with others except with a director or trustee of the ASSURED who is not an **Employee**, provided, however, the ASSURED shall first establish that the loss was directly caused by dishonest acts of any **Third Party Administrator**, which result in improper personal financial gain to such **Third Party Administrator** and which acts were committed with the intent to cause the ASSURED to sustain such loss.
- F. Servicing Contractor
Loss resulting directly from dishonest acts of any **Servicing Contractor** committed alone or in collusion with others except with a director or trustee of the ASSURED who is not an **Employee**, provided, however, the ASSURED shall first establish that the loss was directly caused by dishonest acts of any **Servicing Contractor**, which result in improper personal financial gain to such **Servicing Contractor** and which acts were committed with the intent to cause the ASSURED to sustain such loss.

Notwithstanding the foregoing, when a loss is covered under INSURING CLAUSE 1.C., 1.D., 1.E., or 1.F., and the **General Agent, Soliciting Agent, Third Party Administrator** or **Servicing Contractor** was acting in collusion with others and intended to receive improper personal financial gain, but said **General Agent, Soliciting Agent, Third Party Administrator** or **Servicing Contractor** failed to derive such improper personal financial gain, such loss will nevertheless be covered under this INSURING CLAUSE as if the **General Agent, Soliciting**

Agent, Third Party Administrator or Servicing Contractor had obtained such improper personal financial gain provided that the ASSURED establishes that the **General Agent, Soliciting Agent, Third Party Administrator or Servicing Contractor** intended to receive such improper personal financial gain.

For the purposes of INSURING CLAUSE 1.C., 1.D., 1.E., and 1.F., the term **General Agent, Soliciting Agent, Third Party Administrator or Servicing Contractor** shall be deemed to include the partners, officers and employees of such **General Agent, Soliciting Agent, Third Party Administrator or Servicing Contractor**. Each **General Agent, Soliciting Agent, Third Party Administrator or Servicing Contractor** and its partners, officers, and employees shall collectively be deemed to be one person for the purposes of Section 1, Definitions, u., Single Loss.

Insuring Clauses

Dishonesty
(continued)

For the purpose of this INSURING CLAUSE, improper personal financial gain shall not include salary, salary increases, commissions, fees, bonuses, promotions, awards, profit sharing, incentive plans, pensions or other emoluments received by an **Employee, General Agent, Soliciting Agent, Third Party Administrator** or **Servicing Contractor**.

On Premises

- 2 . Loss of **Property** resulting directly from:
- a. robbery, burglary, misplacement, mysterious unexplainable disappearance, damage or destruction, or
 - b. false pretenses, or common law or statutory larceny, committed by a natural person while on the premises of the ASSURED,
- while the **Property** is lodged or deposited at premises located anywhere, including with any authority of a political subdivision in the United States or Canada.

In Transit

- 3 . Loss of **Property** resulting directly from common law or statutory larceny, misplacement, mysterious unexplainable disappearance, damage or destruction, while the **Property** is in transit anywhere:
- a. in an armored motor vehicle, including loading and unloading thereof,
 - b. in the custody of a natural person acting as a messenger of the ASSURED, or
 - c. in the custody of a **Transportation Company** and being transported in a conveyance other than an armored motor vehicle provided, however, that covered **Property** transported in such manner is limited to the following:
 - (1) written records,
 - (2) **Certificated Securities** issued in registered form, which are not endorsed or are restrictively endorsed, or
 - (3) **Negotiable Instruments** not payable to bearer, which are not endorsed or are restrictively endorsed.

Coverage under this INSURING CLAUSE begins immediately on the receipt of such **Property** by the natural person or **Transportation Company** and ends immediately on delivery to the premises of the addressee or to any representative

of the addressee located anywhere.

Forgery Or Alteration

- 4 . Loss resulting directly from **Forgery** on, or fraudulent material alteration of any:
 - a. request for change of beneficiary in any insurance policy issued by the ASSURED,
 - b. insurance policy loan agreement made with the ASSURED,
 - c. assignment to the ASSURED of any of its insurance policies, or

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Insuring Clauses

Forgery Or Alteration
(continued)

- d. Negotiable Instrument:
- (1) issued by, made or drawn by, or drawn on the ASSURED, or
 - (2) made or drawn by one acting as agent of the ASSURED,
or purporting to have been so made or drawn.
- For the purpose of this INSURING CLAUSE, a mechanically reproduced facsimile signature is treated the same as a handwritten signature.

Extended Forgery

- 5 . Loss resulting directly from the ASSURED having, in good faith, for its own account or the account of others:
- a. acquired, sold or delivered, or given value, extended credit or assumed liability, in reliance on any original
 - (1) **Certificated Security**,
 - (2) deed, mortgage or other instrument conveying title to, or creating or discharging a lien on, real property,
 - (3) **Evidence of Debt**,
 - (4) corporate, partnership or personal **Guarantee**,
 - (5) **Security Agreement**,
 - (6) **Letter of Credit**, or
 - (7) **Instruction** which
 - i. bears a Forgery, or
 - ii. is fraudulently materially altered, or
 - iii. is lost or stolen, or
 - b. guaranteed in writing or witnessed any signature on any transfer, assignment, bill of sale, power of attorney, **Guarantee**, or endorsement upon or in connection with any item listed in a.(1) through a.(7) above, or
 - c. acquired, sold or delivered, or given value, extended credit or assumed liability in reliance on any item listed in a.(1) or a.(2) above which is a **Counterfeit Original**.

Actual physical possession, and continued actual physical possession if taken as collateral, of the items listed in a.(1) through a.(7) above by the ASSURED or a Federal or State chartered deposit institution of the ASSURED is a condition precedent to the ASSURED having relied on such items. Release or return of such collateral is an acknowledgment by the ASSURED that it no longer relies on such collateral.

For the purpose of this INSURING CLAUSE, a mechanically reproduced facsimile signature is treated the same as a handwritten signature.

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Insuring Clauses

(continued)

Counterfeit Money

- 6 . Loss resulting directly from the receipt by the ASSURED in good faith of any counterfeit **Money**.

Computer System

- 7 . Loss resulting directly from fraudulent:
- a. entries of data into, or
 - b. changes of data elements or programs within, a **Computer System**, provided the fraudulent entry or change causes:
 - (1) funds or other property to be transferred, paid or delivered,
 - (2) an account of the ASSURED or of its customer to be added, deleted, debited or credited, or
 - (3) an unauthorized account or a fictitious account to be debited or credited.

General Agreements

Joint Assured

- A. Only the first named ASSURED shall be deemed to be the sole agent of the others for all purposes under this Bond, including but not limited to the giving or receiving of any notice or proof required to be given and for the purpose of effecting or accepting any amendments to or termination of this Bond. Each and every other ASSURED shall be conclusively deemed to have consented and agreed that none of them shall have any direct beneficiary interest in or any right of action under this Bond and neither this Bond nor any right of action shall be assignable.
- Knowledge possessed or discovery made by any ASSURED shall constitute knowledge possessed or discovery made by all of the ASSUREDS for the purposes of this Bond.

All losses and other payments, if any, payable by the COMPANY shall be payable to the first named ASSURED without regard to such ASSURED'S obligations to

others, and the COMPANY shall not be responsible for the application by the first named ASSURED of any payment made by the COMPANY. If the COMPANY agrees to and makes payment to any ASSURED other than the one first named, such payment shall be treated as though made to the first named ASSURED. The COMPANY shall not be liable for loss sustained by one ASSURED to the advantage of any other ASSURED.

*Representations Made
By Assured*

- B. The ASSURED represents that all information it has furnished in the APPLICATION for this Bond or otherwise is complete, true and correct. Such APPLICATION and other information constitute part of this Bond.

General Agreements

*Representations Made
By Assured*

The ASSURED must promptly notify the COMPANY of any change in any fact or circumstance which materially affects the risk ass