

INVESTOR EXPRESS

A semi-annual newsletter for our shareholders.

Issue No. 8
FALL 2003

An important announcement from our Chairman and CEO

Dear Shareholder:

I am pleased to advise you that beginning on November 1, 2003, American Stock Transfer & Trust Company (AST), the nation's largest independent stock transfer agent, will become the transfer agent for Adams Express and Petroleum & Resources, replacing The Bank of New York. We believe that holders of shares in direct registration will notice improved service from our new transfer agent, and all of our shareholders will benefit from the cost savings to the Funds from the change.

Shareholders may contact AST through its website at www.amstock.com, or by calling AST, at the same toll-free phone numbers used to contact The Bank of New York, to access the automated voice response menu or to speak with a customer service representative. At the AST website you will be able to access your account and easily do such things on-line as change your address, request transfer instruction forms, or obtain a duplicate IRS Form 1099. For those who prefer to deal with AST by phone, AST's own call center offers an automated system that is available 24 hours a day, seven days a week, and customer service representatives are available Monday through Thursday from 8:30 a.m. to 7 p.m. and from 8:30 a.m. to 5:00 p.m. on Friday. In addition, a direct purchase plan will allow you to make investments in our Funds on-line. Direct deposit of your dividend checks, which a number of our shareholders have requested over the years, will also be an option.

Although we expect the transition will be a seamless one, please bear with us as we make the change. As always, if you experience any problems whatsoever during the transition, please call our shareholder relations department toll-free at (800) 638-2479 and they will work with you and AST to address any questions or issues as quickly as possible.

Sincerely,



Douglas G. Ober

Our Funds Are Not Entangled In The Mutual Fund Trading Investigation

You probably have heard media reports of an investigation by New York Attorney General Eliot Spitzer into illegal and unfair after-hours trading practices and inappropriate market timing authorizations involving a hedge fund and a number of mutual funds, offered by certain mutual fund families. The charges involve a handful of funds providing the hedge fund preferential treatment, including the ability to buy fund shares after 4:00 p.m. and still obtain the 4:00 p.m. closing price, an arbitrage practice that disadvantaged the funds' long-term investors.

You can be assured that we strenuously condemn any inappropriate trading practices in funds that favor one class or one shareholder over another. We do not make arrangements with any shareholder that give that shareholder the right to engage in market timing transactions that are not available to other shareholders in our Funds. In fact, the closed-end fund structure does not permit such favoritism and our Funds are not implicated by this scandal in any way. Unlike mutual funds that are only priced once a day at the close of market, the buying and selling of our shares are open market transactions that are priced instantaneously.

INSIDE THIS ISSUE

- **New Transfer Agent**
- **Mutual Fund Trading Investigation**
- **Doug Ober Leads Industry Initiative as Closed-End Fund Association Head**
- **Meet the Assistant Secretary — Geri Paré**
- **Frequently Asked Questions**

150th
Anniversary

The Adams Express Company will mark its 150th anniversary in 2004. With pride in our rich and varied history, we look forward to sharing historical highlights with shareholders in the year ahead.



**Petroleum
& Resources
Corporation**

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Meet the Assistant Secretary



A career change brought Geri Paré to Adams Express and Petroleum & Resources in 1986, and she has never looked back. As Assistant Secretary, Geri is the front line person handling such diverse tasks as shareholder relations, dealings with the transfer agent, and compliance and administration initiatives that often include interaction with the Funds' Board of Directors.

It's easy to see why many shareholders view her as the voice of Adams Express and Petroleum when they call in with questions and issues. "The most interesting part of my job is working with the shareholders," she says. "I enjoy helping people feel good about being investors and addressing their issues." That's why she oversees any service issue until it is resolved, she says.

When shareholders or brokers call to inquire about year-end distributions, to establish cost basis, to transfer registration or ask about portfolio performance, they are most likely put through to Geri. "We're all available to address shareholder inquiries," she says, adding that while she's on the front line, shareholders should know that everyone in the organization is attuned to addressing shareholder needs.

An avid gardener and sailor, Geri arrived in Baltimore in the 1980s to accept a job at Johns Hopkins Medical Institution and stayed. She earned a B.S. in Nutrition from the University of Rhode Island and completed her M.S. in Psychology from Loyola College.

Doug Ober Leads Industry Initiatives as Closed-End Fund Association Head

Chairman and CEO Doug Ober is making a mark as the current president of the Closed-End Fund Association (CEFA), the trade group representing the closed-end fund industry. Halfway through a two-year term that began in June 2002, he is leading CEFA through a time of corporate scandals and financial pressures on Wall Street, unprecedented regulatory changes, and record new issuances of closed-end funds. Doug, the first portfolio manager to head CEFA, is fit for the challenges.

Recognizing the need to draw attention to the closed-end fund industry, Doug has met with financial reporters from Barron's, Business Week and other financial news organizations. He presided over the industry's annual conference last March and will continue to serve as the voice of the industry to the public.

Against the backdrop of reduced analyst coverage of closed-end funds and the need for new ways to maintain visibility for closed-end funds among stock analysts and investors, CEFA has brought together prominent industry executives to address greater uniformity in the gathering, dissemination and reporting of data by closed-end funds. One such standard would address the calculation of net asset value returns and the date and method of calculating reinvestment of dividends. These issues

and other intricacies are being addressed by the diverse team of key industry players assembled by CEFA under Doug's leadership.

CEFA's activities extend to individual investors as well. A user-friendly website found at www.cefa.com offers the most comprehensive source for accessing investor information on closed-end funds. There you can review investment fundamentals and read about top performing funds. Investors will also find information about the closed-end fund structure and descriptions of the advantages of closed-end funds, investment risk and rewards, how to use closed-end funds in a portfolio, and investment considerations ranging from the simple to the exotic.

Insight on key issues affecting the industry is found at the website in articles authored by Doug posted in the section called the "President's Corner." In a recent issue, Doug cautioned that unintended consequences from the additional financial reporting requirements brought on by the Sarbanes-Oxley Act could go too far.



Frequently Asked Questions:

I have owned my shares for many years. When I die, I want my shares to go directly to my beneficiary without being tied up in my probate proceedings. Is there a way I can accomplish this now?

A: Yes. One of the available options for avoiding probate for your shares that is now available in most states is a form of registration known as a "transfer on death" ("TOD") account. You should consult your estate lawyer and tax advisor to see if a TOD registration is appropriate for you. In a TOD account, you have control over the shares until you die, and you can revoke or change the registration at any time. Only one beneficiary may be established, although it is not limited to an individual and may be set up to go to a trust, guardianship, corporation or other entity. Currently, TOD registration is acknowledged in every state except Louisiana, New York, North Carolina, and Texas. For shareholders whose shares are held in direct registration, you can get information on setting up a TOD account by contacting our transfer agent toll free at 877-260-8188 for Adams Express or 866-723-8330 for Petroleum & Resources.

This newsletter is sent to the stockholders of The Adams Express Company and of Petroleum & Resources Corporation for their information. It is not a prospectus, circular or representation intended for use in the purchase or sale of shares of the Companies or of any securities mentioned in the newsletter. Past performance is not indicative of future investment results. The rates of return will vary and the principal value of an investment will fluctuate. Shares, if sold, may be worth more or less than their original cost.