The model is $Y_{ij} = \alpha + \beta x_{ij} + \delta_{1i} + \delta_{2i} x_{ij} + \varepsilon_{ij}$ for $i = 1, \ldots, n$ and $j = 1, 2$, where $x_{i1} = 1$ and $x_{i2} = 0$.

The variances of the random effects are $V(\delta_{1i}) = \psi_1^2$ and $V(\delta_{2i}) = \psi_2^2$, and their covariance is $C(\delta_{1i}, \delta_{2i}) = \psi_{12}$. The observation-level error variance is $V(\varepsilon_{ij}) = \sigma^2$.

Then the composite error is $\zeta_{ij} = \delta_{1i} + \delta_{2i} x_{ij} + \varepsilon_{ij}$ with variance $V(\zeta_{ij}) = \psi_1^2 + x_{ij}^2 \psi_2^2 + 2 x_{ij} \psi_{12} + \sigma^2$, which is $V(\zeta_{i1}) = \psi_1^2 + \psi_2^2 + 2\psi_{12} + \sigma^2$ for $j = 1$ and $V(\zeta_{i2}) = \psi_1^2 + \sigma^2$ for $j = 2$, and covariance $C(\zeta_{i1}, \zeta_{i2}) = \psi_1^2 + \psi_2^2$.

There are, as you say, 4 variance-covariance components, $\psi_1^2, \psi_2^2, \psi_{12}, \sigma^2$, and just 3 variances and covariances among the composite disturbances, $V(\zeta_{i1}), V(\zeta_{i2}), C(\zeta_{i1}, \zeta_{i2})$, and so—as you and several others have noted (but I missed)—the variance-covariance components are underidentified.