§ 398-b. Duties of directors and officers.

1. Directors and officers shall discharge the duties of their respective positions in good faith and with that degree of diligence, care and skill which prudent men would exercise under similar circumstances in like positions. In discharging their duties, directors and officers, when acting in good faith, may rely (a) upon financial statements of the savings and loan association represented to them to be correct by the president or the officer of the savings and loan association having charge of the books of account, or stated in a written report by an independent public or certified public accountant or firm of such accountants fairly to reflect the financial condition of such savings and loan association and (b) upon reports required to be submitted to them by any provision of this chapter or prepared in the ordinary course of business by an officer or committee charged with the responsibility therefor. Nothing in this section shall be deemed to require the directors to perform functions vested in any committee, officer or other person pursuant to the provisions of any other section of this chapter.

2. An action may be brought against one or more directors or officers of a savings and loan association to procure a judgment for the following relief:

(a) To compel the defendant to account for his official conduct in the following cases:

(1) The neglect of, or failure to perform, or other violation of his duties in the management and disposition of the savings and loan association's assets committed to his charge.

(2) The acquisition by himself, transfer to others, loss or waste of the savings and loan association's assets due to any neglect of or failure to perform, or other violation of his duties.

(b) To set aside a conveyance, assignment or transfer of the savings and loan association's assets by one or more directors or officers, contrary to a provision of law, where the transferee knew the purpose of the transfer.

(c) To enjoin such a conveyance, assignment or transfer of the savings and loan association's assets by one or more of the directors or

officers where there is good reason to apprehend that it will be made.

3. Subject to section six hundred thirty-one of this chapter, an action may be brought for the relief provided in this section by a savings and loan association or an officer, director or judgment creditor thereof.

4. This section shall not affect any liability otherwise imposed by law upon any director or officer.