§ 3020. Actions against a municipal assistance corporation; indemnification. 1. Except in an action for wrongful death, an action against a municipal assistance corporation for personal injury or property damage or founded on tort shall not be commenced more than one year and ninety days after the cause of action shall have accrued nor unless a notice of claim shall have been served on a director of such corporation, or an officer or employee thereof designated by the corporation for such purpose, within the time limited by, and in compliance with the requirements of section fifty-e of the general municipal law. An action against a municipal assistance corporation for wrongful death shall be commenced in accordance with the notice of claim and time limitation provisions of title eleven of article nine of this chapter.

2. The venue of every action, suit or special proceeding brought against a corporation shall be laid in the county in which the principal office of such corporation is located.

3. a. The state shall save harmless and indemnify directors, officers and employees of and representatives to a corporation, all of whom shall be deemed officers and employees of the state for purposes of section seventeen of the public officers law, against any claim, demand, suit, or judgment arising by reason of any act or omission to act by such director, officer, employee or representative occurring in the discharge of his duties and within the scope of his service on behalf of such corporation, including any claim, demand, suit or judgment based on allegations that financial loss was sustained by any person in connection with the acquisition, disposition or holding of securities or other obligations of a corporation (or those of any other public corporation if such loss allegedly resulted from its dealing with a municipal assistance corporation). In the event of any such claim, demand, suit or judgment, a director, officer or employee of or representative to a municipal assistance corporation shall be saved harmless and indemnified, notwithstanding the limitations of section seventeen of the public officers law, unless such individual is found by a final judicial determination not to have acted, in good faith, for a purpose which he reasonably believed to be in the best interest of such

corporation or not to have had reasonable cause to believe that his conduct was lawful.

b. In connection with any such claim, demand, suit, or judgment, any director, officer or employee of or representative to the corporation shall be entitled to representation by private counsel of his choice in any civil judicial proceeding whenever the attorney general determines based upon his investigation and review of the facts and circumstances of the case that representation by the attorney general would be inappropriate. The attorney general shall notify the individual in writing of such determination that the individual is entitled to be represented by private counsel. The attorney general may require, as a condition to payment of the fees and expenses of such representation, that appropriate groups of such individuals be represented by the same counsel. If the individual or group of individuals is entitled to representation by private counsel under the provisions of this section, the attorney general shall so certify to the comptroller. Reasonable attorney's fees and litigation expenses shall be paid by the state to such private counsel from time to time during the pendency of the civil action or proceeding subject to certification that the individual is entitled to representation under the terms and conditions of this section by the chairman of the board of directors of the corporation upon the audit and warrant of the comptroller. The provisions of this subdivision shall be in addition to and shall not supplant any indemnification or other benefits heretofore or hereafter conferred upon directors, officers or employees of and representatives to the corporation by section seventeen of the public officers law, by action of the corporation, or otherwise. The provisions of this subdivision shall inure only to directors, officers and employees of and representatives to the corporation, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance.