§ 179. Investments in municipal assistance corporation obligations; indemnification. 1. It is hereby found and declared that obligations of the municipal assistance corporation for the city of New York are reasonable, prudent, proper and legal investments for any fund described in subdivision one of section one hundred seventy-six of this article or for any board member, officer, employee, trustee or fiduciary thereof to make on behalf of such fund.

2. Notwithstanding any other provision of law, including the provisions of subdivision one of section seventeen of the public officers law, no member of the board, officer, employee, fiduciary of any fund described in subdivision one of section one hundred seventy-six of this article shall incur or suffer any liability whatsoever to any person beneficially interested in such system by reason of any investment of the monies thereof in obligations of the municipal assistance corporation for the city of New York and each such system shall save harmless and indemnify all members of the board, officers, employees, trustees, fiduciaries and investment advisors of any fund described in subdivision one of section one hundred seventy-six of this article from financial loss arising out of any claim, demand, suit, action or judgment for alleged negligence, waste or breach of fiduciary duty by reason of any investment of any monies of such fund in obligations of the municipal assistance corporation for the city of New York provided that such person shall, within five days after the date on which he is served with any summons, complaint, process, notice, demand, claim or pleading, deliver the original or a true copy thereof to the legal advisor of such system. Upon such delivery the legal advisor of such system may assume control of the representation of such person in connection with such claim, demand, suit, action or proceeding. Such person shall cooperate fully with the legal advisor of the system or any other person designated to assume such defense in respect of such representation or defense.

3. The provisions of this section shall not be applicable to purchases made by the New York city employees' retirement system, the board of education retirement system of the city of New York, the teachers' retirement system of the city of New York, the New York city police

pension funds and fire department pension funds in obligations of the municipal assistance corporation for the city of New York and obligations of the city of New York from the municipal assistance corporation for the city of New York and the city of New York after November twenty-third, nineteen hundred seventy-five, but nothing herein contained shall be deemed to diminish the indemnification provided for purchases made by the New York city employees' retirement system, the board of education retirement system of the city of New York, the New York city police pension funds and fire department pension funds in obligations of the municipal assistance corporation for the city of New York and obligations of the city of New York from the municipal assistance corporation for the city of New York and the city of New York on and after September ninth, nineteen hundred seventy-five, but prior to November twenty-third, nineteen hundred seventy-five, in accordance with the provisions of this section.