**Section 8.3025 Retention Trust**

a) Contractors may elect to have retention deposited in a trust provided that:

1) The project is funded by direct appropriation to CDB;

2) the contract exceeds $300,000; and

3) the specified contract time is 360 calendar days or longer.

b) A retention trust agreement must be entered into before application by the contractor for the first payment. The agreement will include, but not be limited to, the following:

1) the amount to be deposited;

2) terms and conditions of payment in case of default by the contractor;

3) termination upon completion, default or other breach; and

4) the contractor's responsibility for obtaining the written consent of the bank trustee and for paying all costs and fees associated with the trust.

c) Only CDB's retention trust agreement form is acceptable. In the event the contractor fails to deliver the trust agreement duly executed by the contractor and the bank prior to, or at the time of, receipt of the first partial payment, CDB may not execute the trust agreement. CDB may cancel the retention trust agreement for reason of non-performance and demand return of any deposits by the bank.