

NOTICE OF RETAINAGE AGREEMENT

(reference Texas Government Code § 2253.047(b))

[This header is for your convenience and may be deleted from the actual notice letter]

[claimant's letterhead]

[date]

VIA CERTIFIED MAIL, RETURN

RECEIPT REQUESTED # _____

[name of general contractor]

[address]

Re: [Name and/or Description of Project and Address of Project]

Dear [_____]:

The following notice is provided to comply with the requirements of the Texas Government Code, Chapter 2253 and is being sent to you as the prime contractor of a project located at [address of project].

On or about [date], [name of your firm] entered into a subcontract agreement [or agreement to supply materials] with [name of subcontractor] to provide labor and/or materials generally described as [describe type of work, e.g., electrical work] for the above-referenced project. This agreement contains a retainage agreement as defined in Texas Government Code, Chapter 2253.

The retainage is to be withheld as follows: [state amount of retainage as stated in your contract, for example, 5% retainage to be withheld from each draw] . The total sum anticipated to be retained under this agreement will be [\$insert dollar amount] to be paid [describe contract provision for payment]. In addition, retainage in the same percentage will be withheld from any additional amount owed to [name of your firm] resulting from any change order in the same manner.

Sincerely,

[name of claimant]

cc: via certified mail # _____,
return receipt requested
[name of surety]
[address]