§ 106. Withdrawal of retained percentages. Notwithstanding any inconsistent provision of any general, special or local law, under any contract heretofore or hereafter made or awarded by any political subdivision, or any officer, board or agency thereof, or of any district therein, the contractor may, from time to time, withdraw the whole or any portion of the amount retained from payments to the contractor pursuant to the terms of the contract, upon depositing with the fiscal officer of the political subdivision or district therein or, if so directed by the fiscal officer of the political subdivision or district therein, with a bank or trust company which has entered into an agreement with said fiscal officer to provide the services which said fiscal officer is required to perform pursuant to the provisions of this section (1) bonds or notes of the United States of America, or obligations, the payment of which is guaranteed by the United States of America, or (2) bonds or notes of the state of New York, or (3) bonds of any political subdivision in the state of New York, of a market value equal to the amount so withdrawn. The fiscal officer of the political subdivision or of a district therein, from time to time, shall collect all interest and income on the obligations so deposited, and shall pay the same, when and as collected, to the contractor who deposited such obligations. When the deposit is in the form of coupon bonds, the coupons shall be clipped, presented for payment, and the proceeds remitted to the contractor as they respectively come due. The contractor shall not be entitled to interest or income on, or the coupons of, any obligations so deposited by him, the proceeds of which shall have been used or applied by the political subdivision or district therein pursuant to the terms of the contract. The fiscal officer of the political subdivision or district therein or any such bank or trust company when authorized by said fiscal officer, may impose upon each contractor a service charge for receiving, handling and disbursing obligations, funds and coupons pursuant to the provisions of this section in amount to be determined by said fiscal officer. Such a service charge shall not exceed a reasonable amount which is generally consistent with charges by a bank or trust company for such a service.