**Cashier's check**

A cashier's check and a money order are both payment instruments issued by financial institutions.

**Cashier's Check:**

* **Issuer**: Bank or credit union.
* **Process**: The bank withdraws the money from the purchaser's account and then issues the check from its own funds.
* **Usage**: Often used for large transactions (e.g., buying a car or a house).
* **Security**: More secure than personal checks because the bank guarantees the funds.
* **Fee**: Usually involves a fee, which can vary by institution.
* **Requirements**: Usually requires the purchaser to have an account with the bank.

**Money Order:**

* **Issuer**: Banks, credit unions, post offices, retail stores, and other financial services providers.
* **Process**: The purchaser pays the amount plus a fee upfront, and the issuer provides a document that guarantees the payment.
* **Usage**: Suitable for smaller transactions, typically under a few thousand dollars.
* **Security**: Secure as long as it’s not altered or forged; the issuer guarantees the payment.
* **Fee**: Typically lower than cashier's checks, but fees can still vary depending on the issuer.
* **Requirements**: Does not usually require the purchaser to have an account with the issuer.

**Differences:**

* **Source of Funds**: A cashier's check is drawn on the bank's funds, while a money order is drawn on the funds provided by the purchaser.
* **Maximum Limits**: Money orders often have a maximum limit (e.g., $1,000), whereas cashier's checks can be for any amount.
* **Acceptance**: Cashier's checks are generally accepted for larger payments, while money orders are used for smaller payments.

**Appearance:**

Both documents typically include the following:

* **Payee Information**: The name of the person or entity receiving the payment.
* **Amount**: The amount of money the document represents.
* **Issuing Institution**: The name and sometimes the address of the bank or entity issuing the document.
* **Date**: The date the document was issued.
* **Signature**: Authorized signature from the issuing institution.
* **Serial Number**: A unique number for tracking and verification purposes.

**Cashier's Checks:**

1. **Volume and Value**:
   * **Volume**: In 2019, there were approximately 52 million cashier's checks issued in the United States.
   * **Value**: The total value of cashier's checks issued in 2019 was about $2 trillion.
2. **Fees**:
   * **Average Fee**: The average fee for a cashier's check ranges from $10 to $15. Some banks may charge higher fees, especially for non-customers.
3. **Common Uses**:
   * **Real Estate Transactions**: Around 20% of real estate transactions involve cashier's checks.
   * **Automobile Purchases**: Frequently used for car purchases due to the large amounts involved.

**Money Orders:**

1. **Volume and Value**:
   * **Volume**: The USPS alone issues about 100 million money orders annually.
   * **Value**: The total value of money orders issued by the USPS annually exceeds $21 billion.
2. **Fees**:
   * **Average Fee**: The fee for a money order is typically between $0.70 and $10, depending on the amount and the issuing institution. The USPS charges $1.45 for money orders up to $500 and $1.95 for money orders over $500 up to $1,000.
3. **Common Uses**:
   * **Bill Payments**: Money orders are often used for paying bills when individuals do not have access to a checking account.
   * **Rent Payments**: Commonly used by tenants to pay rent.
   * **International Transfers**: Money orders are also used for international money transfers, though limits apply (USPS international money orders have a $700 maximum).

**Comparison of Cashier's Checks and Money Orders:**

* **Volume**: Money orders are more frequently issued than cashier's checks, primarily due to their lower cost and suitability for smaller transactions.
* **Value**: The total value of cashier's checks is significantly higher than that of money orders due to their use in larger transactions.
* **Fees**: Cashier's checks generally have higher fees compared to money orders, reflecting their use in larger and more secure transactions.

**Additional Insights:**

* **Fraud Prevention**: Both cashier's checks and money orders are considered secure forms of payment, but they are not immune to fraud. In 2020, the FTC reported over 29,000 cases of check fraud, which includes cashier's checks and money orders.
* **Popularity**: The use of both instruments has declined somewhat with the rise of electronic payments, but they remain popular for specific transactions where security and guaranteed funds are paramount.

**Safe deposit boxes**

Safe deposit boxes are secure storage containers located within bank vaults, used by customers to store valuable items and important documents. Here is a detailed overview of safe deposit boxes, including their features, usage, benefits, and security considerations:

**Overview**

**Safe Deposit Box:**

* A secure container housed within a bank or financial institution's vault.
* Available in various sizes to accommodate different types of items.
* Rented by customers for the storage of valuables, important documents, and other items requiring safekeeping.

**Features**

1. **Security:**
   * Located in secure, monitored areas within bank vaults.
   * Dual-key system: one key held by the bank, the other by the customer.
   * Often requires additional security measures like identification and signature verification to access.
2. **Variety of Sizes:**
   * Boxes come in different sizes to meet the needs of customers.
   * Typically measured in inches (e.g., 2"x5", 5"x10", 10"x10").
3. **Accessibility:**
   * Accessible during bank hours.
   * Some banks offer extended hours or access by appointment.

**Usage**

**Common Uses:**

* Storing valuable jewelry, coins, and precious metals.
* Keeping important documents such as wills, deeds, birth certificates, and insurance policies.
* Protecting irreplaceable items like family heirlooms and photographs.

**Benefits**

1. **Security:**
   * Protection from theft, fire, flood, and other disasters.
   * Enhanced security measures compared to home storage.
2. **Privacy:**
   * Contents are known only to the box renter (unless specified otherwise).
3. **Peace of Mind:**
   * Assurance that valuables and important documents are safe and secure.

**Security Considerations**

1. **Insurance:**
   * Bank’s insurance typically does not cover the contents.
   * Consider obtaining separate insurance for high-value items.
2. **Access:**
   * Ensure trusted individuals have access in case of emergencies (consider joint rental or a power of attorney).
3. **Documentation:**
   * Keep a detailed inventory and photos of the contents stored in the box.
   * Store the box key securely and separately from the box.

**Costs**

**Rental Fees:**

* Fees vary based on the size of the box and the bank.
* Annual rental fees typically range from $50 to several hundred dollars.

**Procedures for Renting**

1. **Application:**
   * Apply at a bank or financial institution offering safe deposit box services.
   * Complete necessary documentation and provide identification.
2. **Agreement:**
   * Sign a rental agreement outlining terms and conditions.
   * Receive a key and instructions for accessing the box.
3. **Access:**
   * Follow the bank's procedure for accessing the box, which usually involves presenting identification and the key.

**Conclusion**

Safe deposit boxes provide a secure and reliable option for storing valuable items and important documents. They offer significant security advantages over home storage and provide peace of mind. However, it is essential to consider additional insurance for valuable contents and to ensure that access procedures are in place for emergencies. When renting a safe deposit box, be sure to understand the bank's policies, costs, and procedures to make the most of this secure storage solution.