The counterfeit cashier's check scheme targets individuals that use Internet classified advertisements to sell merchandise. Typically, an interested party located outside the United States contacts a seller. The seller is told that the buyer has an associate in the United States that owes him money. As such, he will have the associate send the seller a cashier's check for the amount owed to the buyer.

The amount of the cashier's check will be thousands of dollars more than the price of the merchandise and the seller is told the excess amount will be used to pay the shipping costs associated with getting the merchandise to his location. The seller is instructed to deposit the check, and as soon as it clears, to wire the excess funds back to the buyer or to another associate identified as a shipping agent. In most instances, the money is sent to locations in West Africa (Nigeria).

Because a cashier's check is used, a bank will typically release the funds immediately, or after a one or two day hold. Falsely believing the check has cleared, the seller wires the money as instructed.

In some cases, the buyer is able to convince the seller that some circumstance has arisen that necessitates the cancellation of the sale, and is successful in conning the victim into sending the remainder of the money. Shortly thereafter, the victim's bank notifies him that the check was fraudulent, and the bank is holding the victim responsible for the full amount of the check.