



Ohio Revised Code

Section 1333.91 Pyramid promotional scheme definitions.

Effective: September 27, 1974

Legislation: House Bill 609 - 110th General Assembly

As used in sections 1333.91 to 1333.94 of the Revised Code:

(A) "Pyramid sales plan or program" means any scheme, whether or not for the disposal or distribution of property, whereby a person pays a consideration for the chance or opportunity to receive compensation, regardless of whether he also receives other rights or property, under either of the following circumstances:

- (1) For introducing one or more persons into participation in the plan or program;
- (2) When another participant has introduced a person into participation in the plan or program.

(B) "Compensation" means money, financial benefit, or anything of value. Compensation does not include payment based upon sales made to persons who are not participants in a pyramid sales plan or program, and who are not purchasing in order to participate in the plan or program.

(C) "Consideration" does not include:

- (1) Payment for sales demonstration equipment and materials furnished at cost, whereby no profit, commission, fee, rebate or other benefit is realized by any person in the sales plan, for use in making sales and not for resale;
- (2) Payment for promotional and administrative fees not to exceed twenty-five dollars when computed on an annual basis.

(D) "Participant" means a person who purchases, proposes, plans, prepares, or offers the opportunity to take part in, or advance into, a pyramid sales plan or program.



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