



Ohio Revised Code

Section 1333.91 Pyramid promotional scheme definitions.

Effective: March 8, 2019

Legislation: House Bill 329 - 132nd General Assembly

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

(A) "Pyramid promotional scheme" means any plan or operation by which individuals pay consideration for the chance or opportunity to receive compensation that is derived primarily from recruiting other individuals into the plan or operation rather than from the sale of products or services to ultimate users or from the consumption or use of products or services by ultimate users.

(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 promotional scheme, and who are not purchasing in order to participate in the plan or operation.

(C) "Consideration" means the payment of money or anything of value or the purchase of products, services, or intangible property. The term does not include:

(1) Payment for sales demonstration equipment and materials furnished at cost for use in making sales and not for resale;

(2) Any time or effort spent in pursuit of sales or recruiting activities.

(D) "Ultimate user" means an individual who consumes or uses a product or service, whether or not the individual is a participant in the plan or operation.
