

**367.832 Pyramid distribution plan prohibited.**

- (1) It is hereby declared unlawful for any person to establish, promote, operate, or participate in any pyramid distribution plan.
- (2) A limitation as to the number of persons who may participate or the presence of additional conditions affecting eligibility for the opportunity to receive compensation under the plan does not change the identity of the plan as a pyramid distribution plan nor is it a defense under this section that a participant, on giving consideration, obtains goods, services or intangible property in addition to the right to receive compensation.

**Effective:** July 15, 1986

Created 1986 Ky. Acts ch. 184, sec. 2, effective July 15, 1986.