

# **Multi-Level Marketing and Pyramid Selling (Excluded Schemes and Arrangements) (Amendment) Order 2001**

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## **No. S 617**

### **MULTI-LEVEL MARKETING AND PYRAMID SELLING (PROHIBITION) ACT (CHAPTER 190)**

### **MULTI-LEVEL MARKETING AND PYRAMID SELLING (EXCLUDED SCHEMES AND ARRANGEMENTS) (AMENDMENT) ORDER 2001**

In exercise of the powers conferred by section 2(2) of the Multi-Level Marketing and Pyramid Selling (Prohibition) Act, the Minister for Trade and Industry hereby makes the following Order:

### **Citation and commencement**

1. This Order may be cited as the Multi-Level Marketing and Pyramid Selling (Excluded Schemes and Arrangements) (Amendment) Order 2001 and shall come into operation on 1st January 2002.

### **Amendment of paragraph 2**

2. Paragraph 2 of the Multi-Level Marketing and Pyramid Selling (Excluded Schemes and Arrangements) Order 2000 (G.N. No. S 248/2000) is amended —

- (a) by deleting the words “conditions in sub-paragraph (c)(i), (ii) and (iii)” in the penultimate and last lines of sub-paragraph (1)(b) and substituting the words “terms and conditions in sub-paragraph (c)(ii), (iii), (iv) and (vi)”;

(b) by deleting sub-paragraph (c) of sub-paragraph (1) and substituting the following sub-paragraph:

“(c) any scheme or arrangement, or any class of such schemes or arrangements, which satisfies the following terms and conditions:

- (i) a person shall not be required to provide any benefit or acquire any commodity in order to participate in the scheme or arrangement, other than the purchase of sales demonstration equipment or materials at a price not exceeding their cost which are not for resale and for which no commission, bonus or any other advantage will be given to any person;
- (ii) any benefit received —
  - (A) by any promoter of, or participant in, the scheme or arrangement accrues as a result of the sale, lease, licence or other distribution of a commodity to any other person; or
  - (B) by any promoter of the scheme or arrangement accrues as a result of the performance of one or more participants in relation to the sale, lease, licence or other distribution of a commodity to any other person;
- (iii) subject to sub-paragraph (ii), no benefit shall be received by any person as a result of the introduction or recruitment of one or more persons to be participants in the scheme or arrangement;
- (iv) a promoter of the scheme or arrangement shall not make, or cause to be made, any representation to any person that benefits