
Securities and Exchange Commission
Washington, D.C. 20549

FORM 8-K

Current Report
Pursuant To Section 13 or 15(d) Of
The Securities Exchange Act of 1934

Date of Report: July 16, 2010

RICK'S CABARET INTERNATIONAL, INC.

(Exact Name of Registrant As Specified in Its Charter)

Texas
(State Or Other Jurisdiction of Incorporation)

0-26958
(Commission File Number)

76-0037324
(IRS Employer Identification No.)

10959 Cutten Road
Houston, Texas 77066
(Address of Principal Executive Offices, Including Zip Code)

(281) 397-6730
(Issuer's Telephone Number, Including Area Code)

ITEM 8.01 OTHER EVENTS.

On July 16, 2010, our wholly owned subsidiary RCI Entertainment (Fort Worth), Inc. (the “Purchaser”) completed the acquisition of certain assets (the “Purchased Assets”) of Golden Productions JGC Fort Worth, LLC, a Texas limited liability company (“Golden Productions”) and VCG Holding Corp., a Colorado corporation (“VCGH”) pursuant to an Asset Purchase Agreement (the “Purchase Agreement”) between Purchaser, Golden Productions and VCGH. The Purchase Agreement was executed and closed on July 16, 2010. Golden Productions owned and operated an adult entertainment cabaret known as “Jaguar’s Gold Club Fort Worth” (the “Club”), located at 12325 Calloway Cemetery Road, Fort Worth, Texas, 76040 (the “Premises”). VCGH owned the improvements on the Premises, including the building and fixtures (the “Improvements”). A copy of the Purchase Agreement is attached hereto as Exhibit 10.1.

At closing, Purchaser paid aggregate consideration to Golden Production and/or VCGH for the Purchased Assets of (1) \$1,000,000 cash by wire-transfer and (2) 467,497 shares of common stock, par value \$0.0001, of VCGH. Purchaser also entered into a ground lease agreement for the land where the Premises is located with Bryan S. Foster, the current owner of the land (the “Lease Agreement”). The Lease Agreement has a term of five years with four options to extend the lease for five years, at the discretion of Purchaser. The initial monthly rental rate during its term is \$20,000 per month. The Lease Agreement also grants Purchaser or its assigns an option to purchase the land from Mr. Foster, which option may be exercised any time after the 12th anniversary date of the Lease Agreement and before the expiration of the Lease Agreement (including its option term) at a purchase price of fair market value, but in no event less than \$3,000,000. A copy of the Lease Agreement with Mr. Foster is attached hereto as Exhibit 10.2.

Also at closing, Purchaser entered a Non-Competition Agreement with Mr. Foster, pursuant to which Mr. Foster agreed (1) not to engage, directly or indirectly, in any adult entertainment or any business or enterprise which is the same as, or substantially the same as the Club, within a radius of fifty (50) miles of Fort Worth, Texas, excluding Jaguars Gold Club Fort Worth #2 and the club operated in Dallas, Texas, doing business as Jaguars Gold Club and (2) not to solicit, divert, or hire away, or attempt to solicit, divert, or hire away from the employment of the Club any person employed by the Club or any entertainer who has performed at the Club. The term of the Non-Competition Agreement ends on September 17, 2012.

The terms and conditions of the Purchase Agreement were the result of extensive arm’s length negotiations between the parties. A copy of the press release related to this transaction is attached hereto as Exhibit 99.1.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
10.1	Asset Purchase Agreement
10.2	Deed of Ground Lease with Bryan Foster
99.1	Press release dated July 19, 2010

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report on Form 8-K to be signed on its behalf by the undersigned hereunto duly authorized.

RICK'S CABARET INTERNATIONAL, INC.

By: /s/ Eric Langan

Eric Langan

President and Chief Executive Officer

Date: July 19, 2010

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the "Agreement") is made and entered into this 16th day of July, 2010, by and among **Golden Productions JGC Fort Worth, LLC**, a Texas limited liability company (the "Company"), **VCG Holding Corp.**, a Colorado corporation ("VCGH") and **RCI Entertainment (Fort Worth), Inc.**, a Texas corporation (the "Purchaser").

WHEREAS, the Company owns and operates an adult entertainment cabaret known as Jaguar's Gold Club Fort Worth ("Jaguar's Gold Club") located at 12325 Calloway Cemetery Road, Fort Worth, Texas, 76040 (the "Premises"); and

WHEREAS, VCGH owns all of the membership interests of the Company, which represents 100% of all of the membership interests of the Company presently issued and outstanding (the "Membership Interests"); and

WHEREAS, Bryan S. Foster, an individual ("Foster"), owns an interest in the real property commonly known as 12325 Calloway Cemetery Road, Fort Worth, Texas, 76040, which interest includes all ownership rights to such real property except for the improvements thereof (the "Land") as is more fully described on Exhibit "A" attached hereto, which Land is currently leased to VCGH and subleased to the Company; the improvements on the Land ("Building and Fixtures") are owned by VCGH and leased to the Company, subject to the reversionary rights of Foster, as contained in the Deed of Ground Lease executed on September 17, 2007 by the parties (the "Old Lease Agreement"); and

WHEREAS, the Company and VCGH desire to sell, transfer and convey all of the assets owned by them which are associated or used in connection with the operation of Jaguar's Gold Club (including the Building and Fixtures located on the Land) to the Purchaser, on the terms and conditions set forth herein; and

WHEREAS, the Purchaser desires to purchase the assets owned by the Company and VCGH, on the terms and conditions set forth herein; and

WHEREAS, in connection with this transaction, Foster desires to (1) terminate the Old Lease Agreement and (2) enter into a new ground lease agreement and an option to buy with Purchaser whereby Foster will lease the Land to Purchaser and grant the Purchaser or its assign an option to buy the Land, on the terms and conditions set forth therein; and

WHEREAS, the Purchaser desires to enter into a ground lease agreement and an option to buy with Foster for the Land, all on the terms and conditions set forth in the ground lease agreement entered into contemporaneously with this Agreement, a form of which is attached hereto as Exhibit 4.3(i); and

NOW, THEREFORE , in consideration of the premises, the mutual covenants and agreements and the respective representations and warranties herein contained, and on the terms and subject to the conditions herein set forth, the parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE I
PURCHASE AND SALE OF THE ASSETS

Section 1.1 Assets of the Company to be Transferred to Purchaser . On the Closing Date (as defined in Section 4.1 hereof), and subject to the terms and conditions set forth in this Agreement, the Company shall sell, convey, transfer and assign, or cause to be sold, conveyed, transferred and assigned to Purchaser free and clear of all liens and encumbrances, and Purchaser shall acquire all of the tangible and intangible assets and personal property of every kind and description and wherever situated of the business of Jaguar's Gold Club from the Company, including but not limited to, the following personal property of the Company:

- (i) all of the tangible and intangible assets and personal properties of every kind and description and wherever situated of the business of Jaguar's Gold Club, including, without limitation, inventories, furniture, fixtures, equipment (including office and kitchen equipment), computers and software, appliances, sign inserts, sound and lighting and telephone systems, telephone numbers, and other personal property of whatever kind and nature owned or leased by the Company, installed, located, situated or used in, on, or about, or in connection with the operation, use and enjoyment of the Premises and all other items on the subject Premises and used in connection with the operation of Jaguar's Gold Club;
- (ii) all of the Company's inventory of supplies, accessories and any and all other items of personal property of whatever nature utilized or relating to the operation of Jaguar's Gold Club (the "Inventory");
- (iii) all supplies (other than Inventory) and other "consumable supplies" used in connection with the operation of Jaguar's Gold Club (the "Supplies");
- (iv) all of the Company's right, title, and interest, as lessee, of any and all equipment leased by the Company and located at Jaguar's Gold Club (the "Leased Equipment"); for which Purchaser agrees to assume payment if disclosed by Company. Company shall cancel and pay for any undisclosed equipment lease that Purchaser does not continue to use.
- (v) all right, title, and interest of the Company to the use of the telephone numbers presently being used by Jaguar's Gold Club, including all rotary extensions thereto, and all advertisements in the "Yellow Pages", "City Directory" and other similar publications (the "Telephone Numbers") and after the Closing, Purchaser shall assume all expenses for the Telephone Numbers and advertising;

- (vi) copies of the Company's lists of suppliers, and any and all of books, records, papers, files, memoranda and other documents relating to or compiled in connection with the operation of Jaguar's Gold Club which are requested by Purchaser (the "Records");
- (vii) all intellectual property of every kind of the Company, including but not limited to all trade marks, trade names, service marks, patents, copyrights, and trade secrets;
- (viii) all universal resource locators ("URL's") and internet domain names, and all goodwill associated with or used in connection with the operation or business of the URL's and internet domain names;
- (ix) to the extent transferable, any and all necessary permits and authorizations which are needed to conduct an adult entertainment business at Jaguar's Gold Club which the Company has the right to transfer and convey, including its sexually oriented business permit and license and all other licenses, consents, authorizations, accreditations, waivers and approvals (together with all government filings pertaining thereto), however designated, established, maintained or renewed and issued evidencing or authorizing the Company, the Company's agent(s) or nominee(s) for the purpose of engaging in the business and/or operation of an adult cabaret nightclub business, gaming facility, restaurant, bar, lounge, or any other business currently operating or capable of being operated on the Premises however characterized.

Section 1.2 Assets of VCGH to be Transferred to Purchaser. On the Closing Date (as defined in Section 4.1 hereof), and subject to the terms and conditions set forth in this Agreement, VCGH shall sell, convey, transfer and assign, or cause to be sold, conveyed, transferred and assigned to Purchaser free and clear of all liens and encumbrances, and Purchaser shall acquire all improvements located on the real property located at 12325 Calloway Cemetery Road, Fort Worth, Texas, 76040, including without limitation the building and fixtures in which the Jaguar's Gold Club is operated (collectively, the "Building and Fixtures");

Section 1.3 All of the items set forth in Section 1.1 and Section 1.2 are collectively referred to as the "Purchased Assets". Exhibit 1.3 shall be a list of all improvements, furniture, fixtures and equipment included within the Purchased Assets.

Section 1.4 Excluded Assets. Specifically excluded from the Purchased Assets are (i) the corporate seals, books, accounting records and records related to corporate governance of the Company (ii) all Company bank accounts and all Company monies (including cash) on hand as of the Closing Date, (iii) all credit card receipts and ATM purchases as of the Closing Date, (iv) amount receivable under the Texas Patron Tax as of the Closing Date, and (v) all other assets listed on Exhibit 1.4 (hereinafter collectively referred to as the "Excluded Assets").

Section 1.5 Intent of the Parties. Although the description of the Purchased Assets in Section 1.1 and Section 1.2 is intended to be complete, in the event Section 1.1 and Section 1.2 fail to contain the description of any assets belonging to the Company and VCGH which are used for the business of Jaguar's Gold Club, such assets shall nonetheless be deemed transferred to Purchaser at the Closing.

ARTICLE II NO ASSUMPTION OF LIABILITIES

Section 2.1 Excluded Liabilities. Notwithstanding anything contained in this Agreement to the contrary, Purchaser shall have no obligation and is not assuming, and the Company and/or VCGH shall retain, pay, perform, defend and discharge, all of the liabilities and obligations of every kind whatsoever related or connected to the Purchased Assets or the business of Jaguar's Gold Club arising or accruing prior to the Closing Date, whether disclosed or undisclosed, known or unknown on the Closing Date, direct or indirect, absolute or contingent, secured or unsecured, liquidated or unliquidated, accrued or otherwise, whether liabilities for taxes, liabilities of creditors, liabilities arising under any profit sharing, pension or other benefit under any plan of the Company, liabilities to any Governmental Agency (as hereinafter defined) or third parties, liabilities assumed or incurred by the Company by operation of law or otherwise (collectively, the "Excluded Liabilities"), including, but not limited to, (i) contractual liabilities arising from Jaguar's Gold Club's business or ownership of the Purchased Assets prior to the Closing Date, and (ii) any taxes owing by the Company and/or VCGH, including but not limited to (x) any ad valorem taxes, including real estate and personal property taxes, waste disposal assessments or other assessments for public or municipal improvements that are assessed or imposed pursuant to the Old Lease Agreement and (y) amounts assessed under the Texas Patron Tax, occurring before Closing, or whether related to the business of Jaguar's Gold Club, the Purchased Assets or otherwise and any liens on the Purchased Assets relating to any such taxes.

Section 2.2 Taxes. The Company and/or VCGH shall pay when due any sales, transfer, excise, or other taxes which may be imposed in any jurisdiction in connection with or arising from the sale and transfer of any of the Purchased Assets to Purchaser.

Section 2.3 Bulk Sales Laws. The Company and VCGH acknowledge that any applicable provisions of any tax clearance or bulk sales laws pertaining to the transactions contemplated by this Agreement are being complied with and that the Company and VCGH agree to indemnify and hold harmless Purchaser from and against any and all liabilities arising out of or relating to any such tax clearance or bulk sales law. Any such liability shall be an Excluded Liability.

ARTICLE III PURCHASE PRICE FOR THE PURCHASED ASSETS

Purchase Price. As consideration for the purchase of the Purchased Assets, Purchaser shall pay to the Company and/or VCGH at Closing aggregate consideration as follows:

- (i) \$1,000,000 payable by cashier's check, certified funds or wire transfer; and
- (ii) 467,497 shares of common stock, par value \$0.0001, of VCGH (the "VCGH Shares") transferred to the Company.

The (i) \$1,000,000 cash payment and (ii) the VCGH Shares are collectively referred to as the "Purchase Price".

ARTICLE IV CLOSING

Section 4.1 The Closing. The closing of the transactions contemplated by this Agreement will take place on or before July 16, 2010 (the "Closing Date"), at the law office of Axelrod, Smith & Kirshbaum, 5300 Memorial Drive, Suite 700, Houston, Texas, 77007, or at such other time and place as agreed upon among the parties hereto (the "Closing").

Section 4.2 Delivery of Documents at Closing. At the Closing: (a) the Company and VCGH shall deliver to Purchaser all instruments of assignment and bills of sale necessary to transfer to Purchaser good and marketable title to the Purchased Assets free and clear of all liens, charges or encumbrances, including without limitation delivery of proper documents for recordation of conveyance of good and marketable title to the Building and Fixtures free and clear of all encumbrances, against delivery by Purchaser to the Company and/or VCGH of payment in an amount equal to the Purchase Price of the Purchased Assets being purchased by Purchaser, in the manner set forth herein, including without limitation delivery of certificates evidencing the VCGH Shares, free and clear of any liens, claims, equities, charges, options, rights of first refusal or encumbrances, duly endorsed to the Company and/or VCGH or accompanied by duly executed stock powers or written instruction to DTC to transfer the VCGH Shares in accordance with instructions by the Company and/or VCGH; (b) the Company and VCGH and Purchaser shall deliver the various certificates, instruments and documents (and shall take the required actions) referred to in Articles VII and VIII below; and (c) the Related Transactions (as defined below) shall be consummated concurrently with the Closing.

Section 4.3 Related Transactions. In addition to the purchase and sale of the Purchased Assets, the following actions shall take place contemporaneously at the Closing (collectively, the "Related Transactions"):

(i) *Ground Lease Agreement for Land with Option to Purchase*. The Purchaser and Foster will enter into a ground lease agreement for the Land (the "Lease Agreement"). The Lease Agreement will have a term of five (5) years with four (4) five (5) year options to extend at the discretion of the Purchaser. The initial monthly rental rate during its term is \$20,000 per month. The Lease Agreement will also grant the Purchaser or its assigns an option to purchase the Land from Foster (the "Land Option"). The Purchaser or its assigns may exercise the Land Option any time after the twelfth (12th) year anniversary date of the Lease Agreement and before the expiration of the Lease Agreement (including its option term) at a purchase price of fair market value, but in no event less than \$3,000,000.

(ii) *Covenant Not to Compete for Foster*. As partial consideration for the Purchaser entering into the Lease Agreement, Foster will enter into a Non-Competition Agreement pursuant to the terms of which Foster will agree not to compete, either directly or indirectly, with the Purchaser, Jaguar's Gold Club or any of their affiliates, by owning, participating or operating an establishment featuring live female nude or semi-nude (topless) adult entertainment in a radius of fifty (50) miles of Fort Worth, Texas, excluding Jaguars Gold Club Fort Worth #2 and the club operated in Dallas, Texas, by Manana Entertainment, Inc. d/b/a Jaguars Gold Club.

(iii) *Termination of Old Lease Agreement* . Foster and VCGH will enter into a Termination Agreement pursuant to the terms of which the Old Lease Agreement will be terminated. A copy of the Termination Agreement is attached hereto as Exhibit 4.3(iii).

**ARTICLE V
REPRESENTATIONS AND WARRANTIES
OF VCGH AND THE COMPANY**

VCGH and the Company, jointly and severally, hereby represent and warrant to Purchaser as follows:

Section 5.1. Organization, Good Standing and Qualification of VCGH and the Company.

(i) VCGH (i) is a Colorado corporation duly organized, validly existing and in good standing under the laws of the state of Colorado, (ii) has all requisite power and authority to carry on its business, and (iii) is duly qualified to transact business and is in good standing in all jurisdictions where its ownership, lease or operation of property or the conduct of its business requires such qualification, except where the failure to do so would not have a material adverse effect to VCGH or the Company.

(ii) The Company (i) is a Texas limited liability company duly organized, validly existing and in good standing under the laws of the state of Texas, (ii) has all requisite power and authority to carry on its business, and (iii) is duly qualified to transact business and is in good standing in all jurisdictions where its ownership, lease or operation of property or the conduct of its business requires such qualification, except where the failure to do so would not have a material adverse effect to VCGH or the Company.

(iii) The authorized capital of the Company consists of one hundred percent (100%) of the Membership Interest which is validly issued and outstanding. There is no other class of equity interest authorized or issued by the Company. All of the issued and outstanding Membership Interests of the Company are owned by VCGH and are fully paid and non-assessable. None of the Membership Interests issued are in violation of any preemptive rights. The Company has no obligation to repurchase, reacquire, or redeem any of its outstanding Membership Interests. There are no outstanding securities convertible into or evidencing the right to purchase or subscribe for any Membership Interests of the Company. There are no outstanding or authorized options, warrants, calls, subscriptions, rights, commitments or any other agreements of any character obligating the Company to issue any Membership Interest or any securities convertible into or evidencing the right to purchase or subscribe for any Membership Interest, and there are no agreements or understandings with respect to the voting, sale, transfer or registration of any Membership Interests of the Company.

Section 5.2 Subsidiaries . The Company does not have any subsidiaries.

Section 5.3 Ownership of the Purchased Assets . The Company owns all of the Purchased Assets set forth in Section 1.1 herein free and clear of any liens, claims, equities, charges, options, rights of first refusal, or encumbrances. VCGH owns all of the Purchased Assets set forth in Section 1.2 herein free and clear of any liens, claims, equities, charges, options, rights of first refusal, or encumbrances. The Company and VCGH have the unrestricted right and power to transfer, convey and deliver full ownership of the Purchased Assets without the consent or agreement of any other entity or person and without any designation, declaration or filing with any governmental authority. Upon the transfer of the Purchased Assets to Purchaser as contemplated herein, Purchaser will receive good and valid title thereto, free and clear of any liens, claims, equities, charges, options, rights of first refusal, encumbrances or other restrictions.

Section 5.4 Ownership of the Membership Interests. VCGH owns, beneficially and of record, all of the Membership Interests of the Company free and clear of any liens, claims, equities, charges, options, rights of first refusal, or encumbrances.

Section 5.5 Authorization. All action on the part of the Company and VCGH necessary for the authorization, execution, delivery and performance of this Agreement and all documents related to consummate the transactions contemplated herein have been taken by the Company and VCGH. The Company and VCGH have the requisite power and authority to execute and deliver this Agreement and to perform their obligations hereunder and to consummate the transactions contemplated hereby. This Agreement, when duly executed and delivered in accordance with its terms, will constitute a valid and binding obligation of the Company and VCGH, enforceable against the Company and VCGH in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, and other similar laws of general application relating to or affecting creditors' rights and to general equitable principles, except those items that would be required of the Purchaser with the consent of the Company and VCGH ("Purchaser and Company Joint Consents").

Section 5.6 No Breaches or Defaults. The execution, delivery, and performance of this Agreement by VCGH and the Company does not: (i) conflict with, violate, or constitute a breach of or a default under any other outstanding agreements or the charter or bylaws of the Company or VCGH, (ii) result in the creation or imposition of any lien, claim, or encumbrance of any kind upon the Purchased Assets or the Land or (iii) require any authorization, consent, approval, exemption, or other action by or filing with any third party (except for consents required under the Old Lease Agreement and Purchaser and Company Joint Consents), or Governmental Authority (as defined below) under any provision of: (a) any applicable Legal Requirement (as defined below), or (b) any credit or loan agreement, promissory note, or any other agreement or instrument to which VCGH or the Company is a party or by which the Purchased Assets or the Land may be bound or affected. For purposes of this Agreement, "Governmental Authority" means any foreign governmental authority, the United States of America, any state of the United States, and any political subdivision of any of the foregoing, and any agency, department, commission, board, bureau, court, or similar entity, having jurisdiction over the parties hereto or their respective assets or properties. For purposes of this Agreement, "Legal Requirement" means any law, statute, injunction, decree, order or judgment (or interpretation of any of the foregoing) of, and the terms of any license or permit issued by, any Governmental Authority.

Section 5.7 Consents. No permit, consent, approval or authorization of, or designation, declaration or filing with, any Governmental Authority or any other person or entity is required on the part of VCGH or the Company in connection with the execution and delivery by VCGH or the Company of this Agreement or the consummation and performance of the transactions contemplated hereby, except for consents required under the Old Lease Agreement and Purchaser and Company Joint Consents.

Section 5.8 Pending Claims. There is no claim, suit, arbitration, investigation, action, litigation or other proceeding, whether judicial, administrative or otherwise, now pending or to VCGH's or the Company's knowledge, contemplated or threatened against VCGH or the Company before any court, arbitration, administrative or regulatory body or any governmental agency which may result in any judgment, order, award, decree, liability or other determination which will or could reasonably be expected to have any material effect upon the Company or the business of Jaguar's Gold Club or the transfer by the Company to Purchaser of the Purchased Assets under this Agreement, and there is no basis known to VCGH or the Company for any such action. No litigation is pending, or to VCGH's or the Company's knowledge, contemplated or threatened against VCGH or the Company, or their assets or properties which seeks to restrain or enjoin the execution and delivery of this Agreement or any of the documents referred to herein or the consummation of any of the transactions contemplated thereby or hereby. Neither VCGH nor the Company is subject to any judicial injunction or mandate or any quasi-judicial or administrative order or restriction directed to or against them of which would affect the Company, the Purchased Assets, the Land or the business of the Jaguar's Gold Club, except for litigation involving the Texas Patron Tax.

Section 5.9 Taxes. The Company has timely and accurately prepared and filed all federal, state, foreign and local tax returns and reports required to be filed prior to such dates and has timely paid all taxes shown on such returns as owed for the periods of such returns, including all sales taxes and withholding or other payroll related taxes shown on such returns. The Company is not delinquent in the payment of any tax or governmental charge of any nature. Neither the Company nor VCGH have any knowledge of any liability for any tax to be imposed by any taxing authorities upon the Company as of the date of this Agreement and as of the Closing that is not adequately provided for. No assessments or notices of deficiency or other communications have been received by VCGH or the Company with respect to any tax return which has not been paid, discharged or fully reserved against and no amendments or applications for refund have been filed or are planned with respect to any such return. None of the federal, state, foreign and local tax returns of the Company have been audited by any taxing authority. Neither VCGH nor the Company have any knowledge of any additional assessments, adjustments or contingent tax liability (whether federal or state) of any nature whatsoever, whether pending or threatened against the Company for any period, nor of any basis for any such assessment, adjustment or contingency. There are no agreements between the Company or VCGH and any taxing authority, including, without limitation, the Internal Revenue Service, waiving or extending any statute of limitations with respect to any tax return, except for the Texas Patron Tax.

Section 5.10 Financial Statements. VCGH and the Company have delivered to Purchaser the unaudited balance sheets of the Company as of June 30 2010, together with the related unaudited statements of income, for the periods then ended (collectively referred to as the "Financial Statements"). Such Financial Statements are in accordance with the books and records of the Company and fairly represent the financial position of the Company and the results of operations and changes in financial position of the Company as of the dates and for the periods indicated, in each case in conformity with generally accepted accounting principles applied on a consistent basis. Except as, and to the extent reflected or reserved against in the Financial Statements, the Company, as of the date of the Financial Statements, has no material liability or obligation of any nature, whether absolute, accrued, continued or otherwise, not fully reflected or reserved against in the Financial Statements.

Section 5.11 No Material Adverse Change. Since the date of the Financial Statements, the Company has conducted its business in the ordinary course, consistent with past practice, and there has been no (i) change that has had or would reasonably be expected to have a material adverse effect upon the assets or business or the financial condition or other operations of the Company; (ii) acquisition or disposition of any material asset by the Company or any contract or arrangement therefore, otherwise than for fair value in the ordinary course of business; (iii) material change in the Company's accounting principles, practices or methods; (iv) incurrence of any material indebtedness or lending of money to any person or entity; (v) acceleration, termination, modification or cancellation of any agreement, contract, lease or license (or series of related agreements, contracts, leases or licenses) involving more than \$5,000 to which the Company is a party; (vi) no material change in, or removal of, Purchased Assets located at Jaguar's Gold Club; or (vii) delay or postponement in the payment of any accounts payable or other liabilities.

Section 5.12 Labor Matters. The Company is not a party or otherwise subject to any collective bargaining agreement with any labor union or association. There are no discussions, negotiations, demands or proposals that are pending or have been conducted or made with or by any labor union or association, and there are not pending or threatened against the Company any labor disputes, strikes or work stoppages. To the best of the Company's and VCGH's knowledge, the Company is in compliance with all federal and state laws respecting employment and employment practices, terms and conditions of employment and wages and hours, and, to their knowledge, is not engaged in any unfair labor practices. Neither the Company nor Jaguar's Gold Club is a party to any written or oral contract, agreement or understanding for the employment of any officer, director or employee of the Company.

Section 5.13 Compliance with Laws. To the best of VCGH's and the Company's knowledge, the Company is, and at all times prior to the date hereof, has been in compliance with all statutes, orders, rules, ordinances and regulations applicable to it or to the ownership of its assets or the operation of its businesses. Neither VCGH nor the Company have any basis to expect, nor have they received, any order or notice of any such violation or claim of violation of any such statute, order, rule, ordinance or regulation by the Company. The Company owns, holds, possesses or lawfully uses in the operation of its business all permits and licenses which are in any manner necessary or required for it to conduct its operation and business as now being conducted. Exhibit 5.13 sets forth all licenses and permits held by the Company used in the operation of the business of Jaguar's Gold Club, all of which are in good standing and in effect as of the Closing Date.

Section 5.14 No Conflicts. The execution and delivery of this Agreement by the Company and VCGH does not, and the performance and consummation of the transactions contemplated hereby by the Company and VCGH, will not (i) conflict with the articles of organization or regulations of the Company or VCGH, as appropriate; (ii) conflict with or result in a breach or violation of, or default under, or give rise to any right of acceleration or termination of, any of the terms, conditions or provisions of any note, bond, lease, license, agreement or other instrument or obligation to which the Company or VCGH is a party or by which the Company's or VCGH's assets or properties are bound; or (iii) result in the creation of any encumbrance on any of the assets or properties of the Company, including the business of Jaguar's Gold Club.

Section 5.15 Title to Properties; Encumbrances. The Company has good and marketable title to all of the Purchased Assets set forth in Section 1.1 herein, and VCGH has good and marketable title to all of the Purchased Assets set forth in Section 1.2 herein, which together represent all of the assets, personal, tangible, and intangible, that are material to the conditions (financial or otherwise), business, operations or prospects of the Company and Jaguar's Gold Club, free and clear of all mortgages, claims, liens, security interests, charges, leases, encumbrances and other restrictions of any kind and nature, except (i) as disclosed in the Financial Statements of the Company, (ii) statutory liens not yet delinquent, and (iii) such liens consisting of zoning or planning restrictions, imperfections of title, easements and encumbrances, if any, as do not materially detract from the value or materially interfere with the present use of the property or assets subject thereto or affected thereby, including the business of Jaguar's Gold Club. As of the Closing Date, the assets of the Company shall include, but shall not be limited to, the non cash assets set forth in the Company's 2009 corporate income tax return, along with all equipment located on the premises at Jaguar's Gold Club as of the Closing Date.

Section 5.16 No Liabilities. Except as to bills not yet received, (which Company shall pay as to the amounts incurred prior to closing) as of the Closing Date, the Company does not and shall not have any obligation or liability (contingent or otherwise) or unpaid bill to any third party.

Section 5.17 Contracts and Leases. Except as shown on Exhibit 5.17, the Company and/or VCGH does not (i) have any leases of personal property relating to the Purchased Assets, whether as lessor or lessee; (ii) have any contractual or other obligations relating to the Purchased Assets, whether written or oral; and/or (iii) have given any power of attorney to any person or organization for any purpose relating to the Purchased Assets or business of the Company or Jaguar's Gold Club. VCGH has an existing real estate ground lease agreement covering the Premises where Jaguar's Gold Club operates its adult entertainment cabaret located at 12325 Calloway Cemetery Road, Fort Worth, Texas, 76040 (the "Old Lease Agreement"), which is currently subleased by VCGH to the Company. The Old Lease Agreement will be terminated as of the Closing Date. The Company shall provide to Purchaser prior to the Closing Date each and every contract, lease or other document relating to the assets of the Company to which it is subject or is a party or a beneficiary. To the Company's and VCGH's knowledge, such contracts, leases or other documents are valid and in full force and effect according to their terms and constitute legal, valid and binding obligations of the Company and the other respective parties thereto and are enforceable in accordance with their terms. VCGH and the Company have no knowledge of any default or breach under such contracts, leases or other documents or of any pending or threatened claims under any such contracts, leases or other documents. Neither the execution of this Agreement, nor the consummation of all or any of the transactions contemplated under this Agreement, will constitute a breach or default under any such contracts, leases or other documents which would have a material adverse effect on the financial condition of the Company or the operation of Jaguar's Gold Club after the Closing.

Section 5.18 No Pending Transactions. Except for the transactions contemplated by this Agreement and the Related Transaction contemplated in Section 4.3 herein, the Company and/or VCGH is not a party to or bound by or the subject of any agreement, undertaking, commitment or discussions or negotiations with any person that could result in: (i) the sale, merger, consolidation or recapitalization of the Company; (ii) the sale of any of the Purchased Assets; (iii) the sale of any outstanding capital stock of the Company; (iv) the acquisition by the Company of any operating business or the capital stock of any other person or entity; (v) the borrowing of money; (vi) any agreement with any of the respective officers, managers or affiliates of the Company; or (vii) the expenditure of more than \$5,000 or the performance by the Company extending for a period more than one year from the date hereof.

Section 5.19 Material Agreements; Action. Except for the transactions contemplated by this Agreement and the Related Transactions contemplated in Section 4.3 herein, there are no contracts, agreements, commitments, understandings or proposed transactions, whether written or oral, to which VCGH or the Company are a party or by which they are bound that involve or relate to (i) any of the respective officers, directors, stockholder or partners of the Company or (ii) covenants of VCGH or the Company not to compete in any line of business or with any person in any geographical area or covenants of any other person not to compete with the Company in any line of business or in any geographical area.

Section 5.20 Insurance Policies. Copies of all insurance policies maintained by the Company and/or VCGH relating to the operation of Jaguar's Gold Club have been or will be delivered or made available to Purchaser. The policies of insurance held by the Company and/or VCGH are in such amounts, and insure against such losses and risks, as the Company and/or VCGH reasonably deem appropriate for their property and business operations. All such insurance policies are in full force and effect through July 16, 2010, and all premiums due thereon have been paid.

Section 5.21 No Default. Neither VCGH nor the Company is in default under any term or condition of any instrument evidencing, creating or securing any indebtedness of the Company, and there has been no default in any material obligation to be performed by VCGH or the Company under any other contract, lease, agreement, commitment or undertaking to which the Company is a party or by which it or its assets or properties are bound, nor have VCGH or the Company waived any material right under any such contract, lease, agreement, commitment or undertaking.

Section 5.22 Books and Records. The books of account, minute books, stock record books and other records of the Company, all of which have been made available to Purchaser, are accurate and complete and have been maintained in accordance with sound business practices.

Section 5.23 Unpaid Bills. As of the Closing, there will be no unpaid bills or claims in connection with any repair of the Premises or other work performed or materials purchased in connection with the repair of the Premises.

Section 5.24 Notices. Neither the Company nor VCGH or any representative of the Company or VCGH have received any written notice (i) from any insurance companies, governmental agencies or from any other parties of any condition, defects or inadequacies with respect to the Premises which, if not corrected, would result in termination of insurance coverage or increase its cost, (ii) from any governmental agencies or any other third parties with respect to any violations of any building codes and/or zoning ordinances or any other governmental laws, regulations or orders affecting the Premises, including, without limitation, the Americans With Disabilities Act, (iii) of any pending or threatened condemnation proceedings with respect to the Premises, or (iv) of any proceedings which could or would cause the change, redefinition or other modification of the zoning classification of the Premises.

Section 5.25 Proceedings Relating to Premises. There is no pending, or to the best knowledge of the Company or VCGH or any representative of the Company or VCGH, contemplated or threatened judicial, municipal or administrative proceedings with respect to, or in any manner affecting the Premises or any portion thereof, including, without limitation, proceedings for or involving tenant evictions, collections, condemnations, eminent domain, alleged building code or zoning violations, personal injuries or property damage alleged to have occurred on the Premises or by reason of the use and operation of the Premises, or written notice of any attachments, executions, assignments for the benefit of creditors, receiverships, conservatorships or voluntary or involuntary proceedings in bankruptcy or pursuant to any other debtor relief laws pending or threatened against VCGH or the Company or the Premises itself, or the taking of the Premises for public needs.

Section 5.26 Public Improvements. None of the Company, VCGH or any representative of the Company or VCGH has knowledge of any existing or proposed public improvements which involve or which may result in any charge being levied or assessed against the Premises or which will or could result in the creation of any lien upon the Premises or any part thereof.

Section 5.27 Certificates. To the best knowledge of the Company, VCGH or any representative of the Company or VCGH, all certificates of occupancy, licenses, permits, authorizations and approvals required by law or by any governmental authority having jurisdiction over the Premises have been obtained and are in full force and effect.

Section 5.28 Material Defect. To the best knowledge of the Company, VCGH or any representative of the Company or VCGH, there are no material defects to the Premises which have not been disclosed in writing to the Purchaser.

Section 5.29 Flooding. To the best knowledge of the Company, VCGH or any representative of the Company or VCGH no flooding has occurred on the Premises.

Section 5.30 Environmental. To the best of the Company's and VCGH's knowledge, the Land or Building and Fixtures is not in violation of any state, local or federal statutes, laws, regulations, ordinances, or rules pertaining to health or the environment requirements affecting the Land or Building and Fixtures. The Company or VCGH has not received any citation, directive, letter or other communication, written or oral, or any notice of any proceeding, claim or lawsuit relating to any environmental issue arising out of the ownership or occupation of the Premises, and there is no basis known to the Company or VCGH for any such action.

Section 5.31 Disclosure. No representation or warranty of VCGH or the Company contained in this Agreement (including the exhibits hereto) contains any untrue statement or omits to state a material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were made, not misleading.

Section 5.32 Employee Benefit Plans. The Company is not a party to any employee-benefit plan.

Section 5.33 Brokerage Commission. No broker or finder has acted on behalf of VCGH or the Company in connection with this Agreement or the transactions contemplated hereby and no person is entitled to any brokerage or finder's fee or compensation in respect thereto based in any way on agreements, arrangements or understandings made by or on behalf of VCGH or the Company.

ARTICLE VI REPRESENTATIONS AND WARRANTIES OF PURCHASER

The Purchaser hereby represents and warrants to the Company and VCGH as follows:

Section 6.1 Organization, Good Standing and Qualification of the Purchaser. The Purchaser (i) is an entity duly organized, validly existing and in good standing under the laws of the state of Texas, (ii) has all requisite power and authority to carry on its business, and (iii) is duly qualified to transact business and is in good standing in all jurisdictions where its ownership, lease or operation of property or the conduct of its business requires such qualification, except where the failure to do so would not have a material adverse effect to the Purchaser.

Section 6.2 Authorization. All action on the part of the Purchaser necessary for the authorization, execution, delivery and performance of this Agreement and all documents related to consummate the transactions contemplated herein has been taken by the Purchaser. The Purchaser has the requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder and to consummate the transactions contemplated hereby. This Agreement, when duly executed and delivered in accordance with its terms, will constitute a valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, and other similar laws of general application relating to or affecting creditors' rights and to general equitable principles.

Section 6.3 No Breaches or Defaults. The execution, delivery, and performance of this Agreement by Purchaser does not: (i) conflict with, violate, or constitute a breach of or a default under or (ii) require any authorization, consent, approval, exemption, or other action by or filing with any third party or Governmental Authority under any provision of: (a) any applicable Legal Requirement, or (b) any credit or loan agreement, promissory note, or any other agreement or instrument to which Purchaser is a party.

Section 6.4 Consents. No permit, consent, approval or authorization of, or designation, declaration or filing with, any Governmental Authority or any other person or entity is required on the part of Purchaser in connection with the execution and delivery by Purchaser of this Agreement or the consummation and performance of the transactions contemplated hereby.

Section 6.5 Disclosure. No representation or warranty of Purchaser contained in this Agreement (including the exhibits hereto) contains any untrue statement or omits to state a material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were made, not misleading.

Section 6.6 Brokerage Commission. No broker or finder has acted on behalf of the Purchaser in connection with this Agreement or the transactions contemplated hereby and no person is entitled to any brokerage or finder's fee or compensation in respect thereto based in any way on agreements, arrangements or understandings made by or on behalf of the Purchaser.

Section 6.7 Ownership of the VCGH Shares. Purchaser owns, beneficially and of record, the VCGH Shares free and clear of any liens, claims, equities, charges, options, rights of first refusal, or encumbrances. Purchaser has the unrestricted right and power to transfer, convey and deliver full ownership of the VCGH Shares without the consent or agreement of any other entity or person and without any designation, declaration or filing with any governmental authority. Upon the transfer of the VCGH Shares to the Company as contemplated herein, the Company will receive good and valid title thereto, free and clear of any liens, claims, equities, charges, options, rights of first refusal, encumbrances or other restrictions, except such restrictions imposed by applicable securities laws.

ARTICLE VII CONDITIONS TO CLOSING OF VCGH AND THE COMPANY

Each obligation of VCGH and the Company to be performed on the Closing Date shall be subject to the satisfaction of each of the conditions stated in this Article VII, except to the extent that such satisfaction is waived by VCGH and the Company in writing.

Section 7.1 Payment of Purchase Price. Purchaser shall have tendered the Purchase Price for the Purchased Assets to the Company and/or VCGH concurrently with the Closing.

Section 7.2 Related Transactions. The Related Transactions set forth in Section 4.3 shall be consummated concurrently with the Closing.

Section 7.3 Corporate Resolutions. Purchaser shall provide a corporate resolution of its Board of Directors which approves the transactions contemplated herein and authorizes the execution, delivery and performance of this Agreement and the documents referred to herein to which they are or will be a party dated as of the Closing Date.

Section 7.4 Absence of Proceedings. No action, suit or proceeding by or before any court or any governmental or regulatory authority shall have been commenced and no investigation by any governmental or regulatory authority shall have been commenced seeking to restrain, prevent or challenge the transactions contemplated hereby or seeking judgments against Purchaser.

ARTICLE VIII CONDITIONS TO CLOSING OF PURCHASER

Each obligation of Purchaser to be performed on the Closing Date shall be subject to the satisfaction of each of the conditions stated in this Article VIII, except to the extent that such satisfaction is waived by Purchaser in writing.

Section 8.1 Ownership of Purchased Assets. The Company shall own not less than 100% of the Purchased Assets set forth in Section 1.1 herein, and VCGH shall own not less than 100% of the Purchased Assets set forth in Section 1.2 herein, which together represent all of the assets, personal, tangible and intangible that are required and material to the condition (financial or otherwise), business, operations or prospects of Jaguar's Gold Club.

Section 8.2 Delivery of Purchased Assets. The Company and VCGH shall have delivered all instruments of assignment and bills of sale necessary to transfer to Purchaser good and marketable title to the Purchased Assets in form and substance satisfactory to the Purchaser, including without limitation delivery of appropriate legal documents necessary to convey good and marketable title to the Building and Fixtures free and clear of all encumbrances;

Section 8.3 Company Resolution. The Company shall provide a resolution of its sole Member, VCGH, which approves all of the transactions contemplated herein and authorizes the execution, delivery and performance of this Agreement and the documents referred to herein to which it is or is to be a party dated as of the Closing Date.

Section 8.4 VCGH Resolution. VCGH shall provide a resolution of its Board of Directors which approves all of the transactions contemplated herein and authorizes the execution, delivery and performance of this Agreement and the documents referred to herein to which it is or is to be a party dated as of the Closing Date.

Section 8.5 Consents; Status of Permits and Licenses. Purchaser shall possess all necessary permits, zoning classifications and other authorizations, whether city, county, state or federal, which may be needed to conduct adult fully nude entertainment on the Premises, without any interruption, and all such permits, zoning classifications and authorizations shall be in good order, without any administrative actions pending or concluded that may challenge or present an obstacle to the continued performance of adult fully nude entertainment at Jaguar's Gold Club. All necessary transfers of licenses and leases required for the continued operation of the business of the Company shall have been obtained. The Specialized Certificate of Occupancy of Jaguar's Gold Club and the Company shall be in full force and effect.

Section 8.6 Related Transactions. The Related Transaction set forth in Section 4.3 shall be consummated concurrently with the Closing.

Section 8.7 No Assumption of Liabilities. The Purchaser shall not assume any liabilities of the Company or the business of Jaguar's Gold Club as of the date of Closing.

Section 8.8 Termination of Existing Leases. Any and all existing leases for the Land and the Building and Fixtures, including but not limited to the Old Lease Agreement and any lease and/or sublease agreements for the Land and/or Building and Fixtures between VCGH and the Company, shall have been terminated.

Section 8.9 Absence of Proceedings. No action, suit or proceeding by or before any court or any governmental or regulatory authority shall have been commenced and no investigation by any governmental or regulatory authority shall have been commenced seeking to restrain, prevent or challenge the transactions contemplated hereby or seeking judgments against the Company or any of its assets.

ARTICLE IX CLOSING ADJUSTMENTS

VCGH, the Company and the Purchaser agree that there shall be an adjustment made within ninety (90) days of the Closing Date to adjust for any liabilities that are found to exist of the Company as of the Closing Date, as such liabilities may relate to the Purchased Assets or the business of Jaguar's Gold Club, so that the Company and VCGH shall be responsible and liable to the Purchaser for the liabilities of the Company that exist as of the Closing Date, less any credit which the Company or VCGH would be entitled to for cash on hand, credit card receivables or pro rata portion of prepaid items.

ARTICLE X INDEMNIFICATION

Section 10.1 Indemnification from VCGH and the Company. The Company and VCGH, jointly and severally, hereby agree to and shall indemnify, defend (with legal counsel reasonably acceptable to Purchaser), and hold Purchaser, its officers, directors, shareholders, employees, affiliates, parent, agents, legal counsel, successors and assigns (collectively, the "Purchaser Group") harmless at all times after the date of this Agreement, from and against any and all actions, suits, claims, demands, debts, liabilities, obligations, losses, damages, costs, expenses, penalties or injury (including reasonable attorneys' fees and costs of any suit related thereto) suffered or incurred by any of the Purchaser Group arising from: (a) any misrepresentation by, or breach of any covenant or warranty of VCGH or the Company contained in this Agreement, or any exhibit, certificate, or other instrument furnished or to be furnished by VCGH or the Company hereunder; (b) any nonfulfillment of any agreement on the part of VCGH or the Company under this Agreement; (c) any liability or obligation due to any third party by the Company incurred at or prior to the Closing Date, including but not limited to any liability pursuant to the Texas Patron Tax; (d) any suit, action, proceeding, claim or investigation against Purchaser Group which arises from or which is based upon or pertaining to VCGH's or the Company's conduct or the operation or liabilities of the business of the Company prior to the Closing Date or (e) any suit, action, proceeding, claim or investigation against any of the Purchaser Group arising out of or resulting in any claims by the former landlord that the Company failed to fulfill any of its obligations under its Old Lease Agreement at any time prior to the Closing Date.

Section 10.2 Indemnification from Purchaser. Purchaser agrees to and shall indemnify, defend (with legal counsel reasonably acceptable to the Company and VCGH) and hold the Company and VCGH, and their respective officers, directors, affiliates, agents, legal counsel, successors and assigns (collectively, the "VCGH Group") harmless at all times after the date of the Agreement from and against any and all actions, suits, claims, demands, debts, liabilities, obligations, losses, damages, costs, expenses, penalties or injury (including reasonable attorney's fees and costs of any suit related thereto) suffered or incurred by any of the VCGH Group, arising from (a) any misrepresentation by, or breach of any covenant or warranty of Purchaser contained in this Agreement or any exhibit, certificate, or other agreement or instrument furnished or to be furnished by Purchaser hereunder; (b) any nonfulfillment of any agreement on the part of Purchaser under this Agreement; or (c) any suit, action, proceeding, claim or investigation against the VCGH Group which arises from or which is based upon or pertaining to Purchaser's conduct or the operation of the business of the Company subsequent to the Closing Date.

Section 10.3 Defense of Claims. If any lawsuit enforcement action or any attempt to collect on an alleged liability is filed against any party entitled to the benefit of indemnity hereunder, written notice thereof shall be given to the indemnifying party within ten (10) business days after receipt of notice or other date by which action must be taken; provided that the failure of any indemnified party to give timely notice shall not affect rights to indemnification hereunder except to the extent that the indemnifying party demonstrates damage caused by such failure. After such notice, the indemnifying party shall be entitled, if it so elects, to take control of the defense and investigation of such lawsuit or action and to employ and engage attorneys of its own choice to handle and defend the same, at the indemnifying party's cost, risk and expense; and such indemnified party shall cooperate in all reasonable respects, at its cost, risk and expense, with the indemnifying party and such attorneys in the investigation, trial and defense of such lawsuit or action and any appeal arising therefrom; provided, however, that the indemnified party may, at its own cost, participate in such investigation, trial and defense of such lawsuit or action and any appeal arising therefrom. The indemnifying party shall not, without the prior written consent of the indemnified party, effect any settlement of any proceeding in respect of which any indemnified party is a party and indemnity has been sought hereunder unless such settlement of a claim, investigation, suit, or other proceeding only involves a remedy for the payment of money by the indemnifying party and includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such proceeding.

Section 10.4 Default of Indemnification Obligation. If an entity or individual having an indemnification, defense and hold harmless obligation, as above provided, shall fail to assume such obligation, then the party or entities or both, as the case may be, to whom such indemnification, defense and hold harmless obligation is due shall have the right, but not the obligation, to assume and maintain such defense (including reasonable counsel fees and costs of any suit related thereto) and to make any settlement or pay any judgment or verdict as the individual or entities deem necessary or appropriate in such individuals or entities absolute sole discretion and to charge the cost of any such settlement, payment, expense and costs, including reasonable attorneys' fees, to the entity or individual that had the obligation to provide such indemnification, defense and hold harmless obligation and same shall constitute an additional obligation of the entity or of the individual or both, as the case may be.

Section 10.5 Survival of Representations and Warranties. The respective representations, warranties and indemnities given by the parties to each other pursuant to this Agreement shall survive the Closing for a period ending forty-eight (48) months from the Closing Date ("Survival Date"). Notwithstanding anything to the contrary contained herein, no claim for indemnification may be made against the party required to indemnify (the "Indemnitor") under this Agreement unless the party entitled to indemnification (the "Indemnitee") shall have given the Indemnitor written notice of such claim as provided herein on or before the Survival Date. Any claim for which notice has been given prior to the expiration of the Survival Date shall not be barred hereunder.

ARTICLE XI MISCELLANEOUS

Section 11.1 Amendment; Waiver. Neither this Agreement nor any provision hereof may be amended, modified or supplemented unless in writing, executed by all the parties hereto. Except as otherwise expressly provided herein, no waiver with respect to this Agreement shall be enforceable unless in writing and signed by the party against whom enforcement is sought. Except as otherwise expressly provided herein, no failure to exercise, delay in exercising, or single or partial exercise of any right, power or remedy by any party, and no course of dealing between or among any of the parties, shall constitute a waiver of, or shall preclude any other or further exercise of, any right, power or remedy.

Section 11.2 Notices. Any notices or other communications required or permitted hereunder shall be sufficiently given if in writing and delivered in Person or sent by registered or certified mail (return receipt requested) or nationally recognized overnight delivery service, postage pre-paid, addressed as follows, or to such other address as such party may notify to the other parties in writing:

- | | | |
|-----|----------------------|---|
| (a) | If to VCGH: | VCG Holding Corp.
Attn: Troy Lowrie
390 Union Blvd., Suite 540
Lakewood, Colorado 80228 |
| | with a copy to: | Martin A. Grusin, Esq.
780 Ridge Lake Blvd., Suite 202
Memphis, TN 38120 |
| (b) | If to the Company: | Golden Productions JGC Fort Worth, LLC
Attn: Micheal Ocello
1401 Mississippi Ave., Bay 10
Sauget, IL 62201 |
| (e) | If to the Purchaser: | RCI Entertainment (Fort Worth), Inc.
Attn: Eric Langan, President
10959 Cutten Road
Houston, Texas 77066 |
| | with a copy to: | Robert D. Axelrod
Axelrod, Smith & Kirshbaum
5300 Memorial Drive, Suite 700
Houston, Texas 77007 |

A notice or communication will be effective (i) if delivered in Person or by overnight courier, on the business day it is delivered and (ii) if sent by registered or certified mail, three (3) business days after dispatch.

Section 11.3 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement.

Section 11.4 Assignment; Successors and Assigns. Except as otherwise provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors and permitted assigns of the parties hereto. No party hereto may assign its rights or delegate its obligations under this Agreement without the prior written consent of the other parties hereto, which consent will not be unreasonably withheld.

Section 11.5 Public Announcements. The parties hereto agree that prior to making any public announcement or statement with respect to the transactions contemplated by this Agreement, the party desiring to make such public announcement or statement shall consult with the other parties hereto and exercise their best efforts to agree upon the text of a public announcement or statement to be made by the party desiring to make such public announcement; provided, however, that if any party hereto is required by law to make such public announcement or statement, then such announcement or statement may be made without the approval of the other parties.

Section 11.6 Entire Agreement. This Agreement and the other documents delivered pursuant hereto constitute the full and entire understanding and agreement between the parties with regard to the subject matter hereof and thereof and supersede and cancel all prior representations, alleged warranties, statements, negotiations, undertakings, letters, acceptances, understandings, contracts and communications, whether verbal or written among the parties hereto and thereto or their respective agents with respect to or in connection with the subject matter hereof.

Section 11.7 Choice of Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas, without regard to principles of conflict of laws. In any action between or among any of the parties, whether arising out of this Agreement or otherwise, each of the parties irrevocably consents to the exclusive jurisdiction and venue of the federal and state courts located in Harris County, Texas.

Section 11.8 Execution. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party, it being understood that both parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a “.pdf” format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or “.pdf” signature page were an original thereof.

Section 11.9 Costs and Expenses. Each party shall pay their own respective fees, costs and disbursements incurred in connection with this Agreement.

Section 11.10 Section Headings. The section and subsection headings in this Agreement are used solely for convenience of reference, do not constitute a part of this Agreement, and shall not affect its interpretation.

Section 11.11 No Third-Party Beneficiaries. Nothing in this Agreement will confer any third party beneficiary or other rights upon any person (specifically including any employees of The Company) or any entity that is not a party to this Agreement.

Section 11.12 Further Assurances. Each party covenants that at any time, and from time to time, after the Closing Date, it will execute such additional instruments and take such actions as may be reasonably requested by the other parties to confirm or perfect or otherwise to carry out the intent and purposes of this Agreement.

Section 11.13 Exhibits Not Attached. Any exhibits not attached hereto on the date of execution of this Agreement shall be deemed to be and shall become a part of this Agreement as if executed on the date hereof upon each of the parties initialing and dating each such exhibit, upon their respective acceptance of its terms, conditions and/or form.

Section 11.14 Attorney Review - Construction. In connection with the negotiation and drafting of this Agreement, the parties represent and warrant to each other that they have had the opportunity to be advised by attorneys of their own choice and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments hereto.

Section 11.15 Gender. All personal pronouns used in this Agreement shall include the other genders, whether used in the masculine, feminine or neuter gender and the singular shall include the plural and vice versa, wherever appropriate.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE.]

IN WITNESS WHEREOF, the undersigned have executed this Asset Purchase Agreement to become effective as of the date first set forth above.

RCI ENTERTAINMENT (FORT WORTH), INC.

/s/ Eric Langan
By: Eric Langan, President

GOLDEN PRODUCTIONS JGC FORT WORTH, LLC

/s/ Troy Lowrie
By: Troy Lowrie, Manager

VCG HOLDING CORP.

/s/ Troy Lowrie
By: Troy Lowrie, CEO

EXHIBIT A

all that certain tract, parcel, or lot of land located in the J. W. Calloway Survey, Abstract No. 336, City of Fort Worth, County of Tarrant, Texas, according to the deed recorded in Volume 17130, Page 375, Deed Records, and County Clerks Document No. D206221398 Tarrant County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a point in the East line of Lot 1, Block 1, Calloway Addition an addition to the City of Fort Worth, Tarrant County, Texas according to the plat recorded in Cabinet A, Slide 9943 Plat Records, Tarrant County, Texas, lying S00°03'OS'W a distance of 72.35 feet from the North corner of said Lot 1;

THENCE S00°03'05W, a distance of 334.01 feet along said East line to a point at the Southeast corner of said Lot 1;

THENCE N89°05'22'W, a distance of 534.27 feet along the South line of said Lot I to a point at the Southwest corner of said Lot I;

THENCE along the Westerly line of said Lot 1 as follows:

1. N47°24'53'W, a distance of 63.54 feet to a point;

2. N02°02'23'W, a distance of 14.52 feet to a point;

3. S89°52'22"E, a distance of 46.16 feet to a point;

4. N00°07'36'E, a distance of 12.66 feet to a point;

THENCE N89°52'22'W, a distance of 26.96 feet to a point lying 35.00 feet perpendicular from the west line of a tract of land described in the deed to Jerry Spencer, L.P. recorded in Volume 17131, Page 244, Deed Records, Tarrant County, Texas;

THENCE N02°14'36"W, a distance of 114.30 feet along a line 35 feet Easterly of and parallel with said West line of Spencer tract to a point;

THENCE Easterly, 361.36 feet along a non tangent curve to the left, having a radius of 1,010.00 feet, a central angle of 21°38'02" and a chord bearing N69°07'01"E, 376.10 feet to a point;

THENCE S89°56'55"E, a distance of 227.66 feet to the point of beginning, containing 3.769 acres of land.

The bearings recited hereon are oriented to the plat of Lot I, Block 1, Calloway Addition recorded in Cab. A, Sld. 9943, Plat Records, Tarrant County, Texas

EXHIBIT 1.3

Aloha POS System
ATM machine
Ice machine
Banquet tables
True beer boxes
Copier/ scanner/ printer
Vending Machine
Pool table
Wire storage shelves
Lockers
Black chairs
Tanning bed
Mini fridge
Mirrors
Filing cabinets
Desk
Business phones
Speakers
Pin spot lights
Disco balls
VHS players
TV's
Amps
Speakers
Sub boxes
Computer
Monitor
Sound board
CD player
Microphone
Projector
Led lights
Fusion lights
Strobe lights
Bookshelves
Cash counter
Paper shredder
Printers
CPU surveillance
Safes
High top tables
Low top tables
Bar chairs
Barrel chairs
Pedestals
Brown sofa
Brown sofa chairs
Maroon U-shaped booth
Leopard print sofa
Leopard print dividers
Maroon wall sofa

EXHIBIT 1.4

1. Mobile billboard truck
 2. Licenses
 - a. Texas Cigarette and / or Cigars and Tobacco Products Taxes Permit
 - b. Sexually Oriented Business License
 - c. City of Fort Worth Alarm Permit
 - d. City of Fort Worth Consumer Health Division Permit
 - e. Coin Operated Amusement Stamps
 - f. Texas Sales and Use Tax Permit
 3. Cash on hand in ATM
-

EXHIBIT 5.13

(see Exhibit 1.4)

EXHIBIT 5.17

Agreement with Frontline Security Co.

Agreement with Club Wise Financial L.P.

Agreement with Direct TV

Agreement with ASCAP

Agreement with Champion Energy

DEED OF GROUND LEASE

THIS DEED OF GROUND LEASE ("LEASE") is made the 16th day of July, 2010, by and between RCI Entertainment (Fort Worth), Inc., a Texas corporation ("RCI" or "Tenant"), and Bryan S. Foster ("Landlord").

RECITALS

A. Landlord is the owner of the Premises being commonly known as 12325 Calloway Cemetery Road, Fort Worth, Texas as described in the legal description attached hereto and made a part hereof as Exhibit "A" ("Premises" or "Leased Premises").

B. Landlord desires to lease the Premises to Tenant, and Tenant desires to take and lease the Premises from Landlord.

NOW, therefore, for and in consideration of the rents reserved hereunder and the terms and conditions hereof, Landlord hereby rents, demises, and leases to Tenant, and Tenant takes and leases from Landlord the Premises, all upon the following terms and conditions:.

**ARTICLE I
TERM OF LEASE AND USE OF PREMISES**

1.1 Term. The term of the Lease shall commence on the 16th day of July, 2010, and shall end on the 31st day of July, 2015.

1.2 Extended Term. Landlord shall grant to Tenant four (4) 5-year options to renew this Lease. Tenant shall provide written notice of election to decline such option, 90 days prior to the expiration of the initial or subsequent terms described above or this Lease shall automatically extend to the succeeding renewal period. Each option period shall be at an increased rate of 10% increase over the prior term's rental obligation.

1.3 Initial Rental Obligation. Tenant shall pay Twenty Thousand Dollars (\$20,000) to Landlord on the 1st day of each month and continuing thereafter on a monthly basis for the first term and each and every month during the term ("Monthly Rent"). Tenant shall pay Landlord Ten Thousand Dollars (\$10,000.00) on July 16, 2010 as pro rated rent for July 16, 2010 through July 31, 2010.

1.4 Use of Premises. The Leased Premises shall be used and occupied as an adult entertainment facility or adult cabaret or for such other lawful purpose as Tenant may elect, so long as Tenant maintains a Specialized Certificate of Occupancy or the equivalent to operate as an adult cabaret.

1.5 Compliance with the Law. In its use and occupancy of the Leased Premises, and the exercise of its rights hereunder, Tenant shall at its sole cost and expense, promptly comply with all federal, state, county, or municipal laws, ordinances, rules, regulations, directives, orders, and/or requirements (collectively "Governmental Regulations") now in force or which may hereafter be in force with respect to the Premises due specifically to Tenant's use and occupancy of the Premises and Tenant's business conducted thereon. Tenant shall not permit any use of the Leased Premises which would directly or indirectly violate any such law, ordinance, regulation or direction, or which may be dangerous to any of the personal property located at the Premises.

1.6 Assignment and Subletting by Tenant. Tenant shall have the right to sublease all or any part of the Leased Premises subject to the terms hereof without the consent of the Landlord, so long as Tenant remains primarily liable for all terms hereof, and the Landlord shall not be required to engage in any manner with the sub-tenant.

1.7 Assignment by Landlord. Landlord shall have the right to assign this Lease, collaterally or otherwise, without Tenant's consent, provided, however, that Landlord shall give written notice to Tenant of any proposed assignment at least thirty (30) days prior thereto. No assignment by Landlord shall alter the rights of Tenant hereunder, and all of the recitals, terms, covenants, and conditions of this Lease shall remain in full force and effect upon the assignment. Upon any assignment by Landlord, Tenant shall make rental payments to the assignee unless and until the assignee actually delivers to Tenant a written notice directing rental payments to thereafter be made to the assignor. In the event of the transfer and assignment by Landlord of its interest in the Lease and in the Premises to a person expressly assuming Landlord's obligations under this Lease, Landlord shall remain liable hereunder unless released by the Tenant in which case Tenant agrees to look solely to such successor in interest of the Landlord for performance of such obligations. Any security given Tenant to Landlord to secure Tenant's obligations hereunder may be assigned and transferred by Landlord to such successor in interest and Landlord will thereby be discharged of any further obligations relating thereto.

1.8 Security Deposit. Tenant agrees to deposit with Landlord, the sum of Twenty Thousand Dollars (\$20,000.00), which sum shall be held by Landlord, without liability for interest, as security for performance of Tenant's obligations under this Lease, it being expressly understood and agreed that this security deposit is not an advance rental deposit, or a measure of Landlord's damages in case of Tenant's default. Upon each occurrence of a Tenant Default (hereinafter defined), Landlord may use all or part of the security deposit to pay past due rent or other payments due Landlord under this Lease, and the cost of any other damage, injury expense or liability caused by such Tenant Default without prejudice to any other remedy provided herein or provided by law. On demand, Tenant shall pay Landlord the amount that will restore the security deposit to its original amount. The security deposit shall be deemed the property of Tenant and any remaining balance of such security deposit not used by the Landlord pursuant to this Lease shall be returned by Landlord to Tenant within sixty (60) days after Tenant's obligations under the Lease have been fulfilled. Notwithstanding any terms or provision hereof to the contrary, the Security Deposit shall be returned to Tenant in the event that Tenant terminates this Lease in accordance with its terms.

1.9 Late Charges. If Tenant fails to pay any installment of Monthly Rent on or before the fifteenth (15th) day of the calendar month, then Tenant shall pay to Landlord, in addition to the installment of Monthly Rent, five percent (5%) of such installment, as a late payment fee. Notwithstanding the foregoing, Landlord shall provide notice to Tenant if any installment of Monthly Rent is not paid on or before the fifteenth (15th) day of the calendar month.

ARTICLE II
ADDITIONAL RENT

2.1 Additional Rental Obligation. In addition to the rental sum described above, Tenant shall pay the following:

a. Utilities. Tenant shall promptly pay and discharge the cost of all utilities in connection with Tenant's use of the Leased Premises and Building thereon. In the event that any such utility charge is unpaid, Landlord may, at its option, pay and discharge such charge, notifying Tenant of such payment and forthwith being reimbursed on demand for such payment by Tenant;

b. Taxes. Tenant shall pay, before they become delinquent, any ad valorem taxes, including but not limited to real estate and personal property taxes, waste disposal assessments, or other assessments for public or municipal improvements that are assessed or imposed upon the Leased Premises and Building thereon during the time of the Lease including all such taxes for the year 2010. Landlord shall furnish to Tenant within five days after receipt any such tax, or assessments which shall be levied on the property. Tenant shall promptly pay the real estate and personal property taxes, assessments or other costs imposed upon the land, prior to such obligation becoming delinquent, evidencing an official receipt as paid in full and providing same to Landlord. Tenant shall pay before delinquency, any and all taxes on the real estate and personal property which are levied or assessed, and/or which become payable during the Lease Term for the year 2010 upon all or any part of the Building, improvements, equipment, furniture, fixtures, and other personal property, although same may be assessed and taxed with the real property.

c. Insurance. Tenant shall procure and maintain, and pay all premiums, fees and charges for the purpose of procuring and maintaining continuously throughout the Term: (i) insurance on the Improvements (including building and fixtures on the Premises) against loss or damage by fire or other casualty with endorsements providing what is commonly known as all risk fire and extended coverage (but not including flood or earthquake coverage), vandalism and malicious mischief insurance, in an amount equal to the full replacement cost thereof; and (ii) general liability insurance with a combined single limit of not less than One Million Dollars (\$1,000,000.00) for any bodily injury or property damage, with a deductible that is consistent with Tenant's insurance practices. Landlord may procure and maintain general liability insurance. All property, casualty and other policies of insurance referred to in this Lease shall include the other party, as their interest may appear, as additional insureds, shall insure such party against liability arising out of the other party's negligence or, to the extent typically covered by a standard policy of commercial general liability insurance, the negligence of any other person, firm or corporation and contain a contractual liability endorsement for liabilities assumed by the other party under this Lease. All policies procured hereunder shall be on standard policy forms issued by insurers of recognized responsibility, rated A Excellent or better by Best's Insurance Rating Service, qualified to do business in Texas. A certificate of such insurance shall be delivered to the other party prior to the Lease Commencement Date and thereafter not less than fifteen (15) days after the expiration thereof and shall provide that such policy may not be cancelled or modified except upon not less than thirty (30) days written notice to the other. Any insurance required or permitted to be carried pursuant to this paragraph may be carried under a policy or policies covering other liabilities and locations of Landlord or Tenant; provide, however, that such policy or policies shall apply to the property required to be insured as set forth above and, with respect to Tenant, in an amount not less than the amount of insurance required to be carried by Tenant.

d. Licenses. Tenant shall be liable for, and shall pay throughout the Term, all license and excise fees and occupation taxes covering the adult cabaret conducted on the Premises, including but not limited to any specialized certificates of occupancy required.

2.2 Failure of Tenant to Provide Insurance. Should Tenant occupy the Leased Premises without providing the required insurance coverage, Landlord, at its option, may obtain the required insurance coverage and Tenant shall pay the premiums for same as additional rent within five days of the receipt of notice of payment from Landlord.

2.3 Failure to Pay Taxes. Should Tenant fail or refuse to pay any real estate or personal property taxes, waste disposal assessments, or other assessments for public or municipal improvements, Landlord shall elect to pay same, after giving written notice to Tenant of its intent to do so, and Tenant shall reimburse Landlord for the payment as additional rent within five days of the receipt of notice of payment from Landlord.

ARTICLE III REPAIRS AND MAINTENANCE

3.1 Maintenance.

a. Tenant shall, at its own expense, keep in good repair buildings and fixtures as found on the Leased Premises, including without limitation the heating and air conditioning systems, plumbing, lighting and electrical systems, partitions, exterior and interior doors, windows (including plate glass), fixtures and the interior of walls, floors and ceilings and comply with all governmental requirements as to the condition of the Leased Premises.

b. Exterior maintenance of the Leased Premises shall be provided by Tenant.

3.2 Liens. Tenant will not create or permit to be created or remain, and will promptly discharge, at its sole cost and expense, any lien, encumbrance or charge upon the Leased Premises and Building thereon or any part thereof or upon Tenant's leasehold interest therein, which arises out of the use or occupancy of the Leased Premises and Building thereon by Tenant or by reason of any labor and material furnished or claimed to have been furnished to Tenant or reason of any construction, addition, or alteration, or any part of the Leased Premises by Tenant. Landlord, at its sole option, may cause to be discharged, any lien, encumbrance or charge upon the Leased Premises, or any part hereof or upon Tenant's leasehold interest therein. Tenant shall immediately pay to Landlord on demand an amount equal to the cost of discharging such interest, plus all fees and expenses reasonably incurred in connection therewith, including, but not limited to reasonable attorney's fees.

ARTICLE IV OPTION

4.1 First Right of Refusal. Landlord hereby grants to Tenant (RCI) a first right of refusal to purchase the property during the term, and any extensions of this Lease Agreement.

4.2 Option to Purchase. Landlord hereby grants the Tenant an option to purchase the Leased Premises, at any time on or after the 12th year anniversary date of this Lease Agreement, at fair market value but in no event less than Three Million Dollars (\$3,000,000.00) provided that Tenant is not in default under the terms of the Lease and the Lease has not otherwise been terminated. In determining fair market value, an appraiser shall be obtained and shall value the property as an adult cabaret. In no event shall the fair market value be less than Three Million Dollars (\$3,000,000.00) at the time of the evaluation.

4.3 Right of Reversion. Should Tenant or its assigns, fail or refuse to exercise its option to purchase as herein described, and the term of the Lease or any extensions thereof end, then the title and ownership of the Improvements (including the building), Fixtures and Personal Property related to 12325 Calloway Cemetery Road, Fort Worth, Texas and the Leased Premises shall revert back to the Landlord. At the expiration of the Term, Tenant, if requested by Landlord, shall execute any and all documents necessary to evidence that ownership and title to the aforementioned Improvements (including the building), Fixtures and Personal Property is in Landlord and to extinguish and remove any cloud or potential cloud on the title to the Premises and/or the Improvements.

**ARTICLE V
LOSS OR DESTRUCTION**

5.1 Loss or Destruction. Pursuant to an Asset Purchase Agreement dated July 16, 2010 ("Purchase Agreement"), RCI has purchased the building currently erected on the Leased Premises. Should the building be destroyed or damaged by fire or other disaster, Tenant shall have the option as follows:

- a. rebuild the building in a quality and manner at least as good as the quality and manner of the building as of the date of Closing of the Purchase Agreement. The work of repair or restoration, which shall be completed with due diligence, shall be commenced within a reasonable time after the damage or loss occurs; or
- b. pay the insurance proceeds received for the destruction or loss of the building to Landlord, unless Tenant shall exercise the options contained in Article IV hereof.

Neither Monthly Rent nor any other rental hereunder shall abate while the Improvements are being repaired or restored; provided, however, in the event the leased premises cannot be used for the operation of the business due to the extent of the loss or destruction there shall be a 120 day abatement in monthly rent due under the lease and there shall be a corresponding extension of the lease term not to exceed four (4) months.

**ARTICLE VI
EARLY TERMINATION**

6.1 Right to Terminate. Landlord hereby grants Tenant the limited right to early termination of the Lease Agreement herein, at the option of Tenant, should the Leased Premises lose the right to operate as a adult cabaret due to a change in local, state, or federal law which prevent its ordinary use as an adult cabaret. The early termination rights herein are solely provided and may only be exercised in the event Tenant has lost the use of the Leased Premises and Building and Improvements for the permitted use as an adult cabaret through a change in local, state, or federal law which prevent its ordinary use as an adult cabaret. Tenant has no other early termination right. It is expressly understood by Landlord and Tenant that Tenant shall not be allowed early termination for its loss of use of the Leased Premises as an adult cabaret a result of Tenant's actions and inactions, during the operation of the Business, which result in the loss of the ability to use the Leased Premises as an adult cabaret.

**ARTICLE VII
CONDEMNATION**

7.1 Condemnation/Eminent Domain.

- a. Condemnation. If the Leased Premises are taken by any authorized entity by eminent domain or by private sale to a governmental authority under the threat thereof, or if part of the Leased Premises is taken so as to substantially interfere with the use thereof, then Tenant shall have the option, to be exercised within sixty (60) days after the taking, to terminate this Lease by notice to Landlord, which termination shall be deemed to be effective as of the date the condemning authority takes title or possession, whichever first occurs, and all rentals shall be paid up to that date. In such an event all ownership and title to the Improvements (including building), Fixtures and Personal Property revert back to Landlord.

b. Rights in Awards. In the event Tenant does not exercise his right to terminate the Lease, Landlord and Tenant will be entitled to share any condemnation award according to their respective interests.

c. Apportionment of Partial Award. If there occurs a Partial Taking and Tenant elects not to terminate the Lease, Landlord and Tenant shall be entitled to receive and retain such separate awards and portions of lump sum awards as may be allocated to their respective interests in any condemnation proceedings, or as may be otherwise agreed, taking into consideration the fact that Landlord's interest in the premises is limited to the Land, as encumbered by this Lease, a reversionary interest in the Improvements (including building), Fixtures and Personal Property upon the expiration of the Term or termination of the Lease, and the right to receive rent hereunder. If the Premises shall be restored as herein provided, Tenant shall first be entitled to recover the costs and expenses incurred in such restoration out of any such award. Thereafter, if the condemning authority does not make separate awards and the parties are unable to agree as to amounts that are to be allocated to the respective interests of Landlord and Tenant, then each party shall select an independent M.A. I. real estate appraiser (an "Appraiser"). Each appraiser shall separately determine the amount of the balance of the condemnation award that is to be allocated to the interests of Landlord and Tenant. If the percentage of the balance of the total award each Appraiser allocates to Landlord (a) are within ten (10%) of each other, the two (2) allocations shall be averaged and such average shall be the final allocation of the award, or (b) are not within ten (10%) of each other, the two Appraisers shall then select a third Appraiser who shall independently allocate the award between Landlord and Tenant, and the middle of such three (3) allocations shall be the final allocation of the award.

ARTICLE VIII ENVIRONMENTAL/HAZARDOUS SUBSTANCES

8.1 Discharge. "Discharge" shall mean the releasing, spilling, leaking, leaching, disposing, pumping, pouring, emitting, emptying, dumping, presence, use, handling, treatment, manufacture, transportation, generation, storage or sale of Hazardous Substances at, in, on, under or emanating to or from the Premises, the Common Areas or the Development, directly or through migration, or the threat thereof, regardless of whether the result of an intentional or unintentional act or omission.

8.2 Environmental Documents. "Environmental Documents" shall mean all environmental documents in the possession or under the control of the producing party concerning the Premises, the Common Areas or the Development, and their environs, including without limitation, all sampling plans, cleanup plans, preliminary assessment plans and reports, site investigation plans and reports, remedial investigation plans and reports, remedial actions plans and reports, or the equivalent, sampling results, sampling result reports, data, diagrams, charts, maps, analysis, conclusions, quality assurance/quality control documentation, correspondence to or from any Governmental Authority, submissions to any Governmental Authority and directives, orders, approvals and disapprovals issued by any Governmental Authority.

8.3 Environmental Law or Laws. “Environmental Law” or “Environmental Laws” shall mean each and every applicable federal, state, regional, county or municipal environmental or health safety statute, ordinance, rule, regulation, order, code, directive or requirement, relating to the environment, Hazardous Substances or health or safety, including without limitation the Resource Conservation and Recovery Act, as amended, 42 U.S.C. §6901 et seq.; the Comprehensive Environmental Response, Compensation and Liability Act, as amended 42 U.S.C. §9601 et seq.; the Water Pollution and Control Act, 33 U.S.C. §1251 et seq.; the Toxic Substances Control Act, 15 U.S.C. §2601 et seq., the Clean Water Act, 33 U.S.C. §1251 et seq.; the Clean Air Act, 42 U.S.C. §7401 et seq.; and the Tank Laws (as defined below), now or hereafter existing, together with all successor statutes, ordinances, rules, regulations, orders, directives, or requirements now or hereafter existing.

8.4 Governmental Authority. “Governmental Authority” shall mean the federal, state, regional, county or municipal government, or any department, agency, bureau or other similar type body obtaining authority therefrom or created pursuant to any applicable statutes, ordinances, rules, regulations, orders, codes, directives or requirements now or hereafter existing.

8.5 Hazardous Substance or Hazardous Substances. “Hazardous Substance” or “Hazardous Substances” shall mean any substance, material, waste, toxic substance, hazardous substance, hazardous waste, solid waste, pollution, pollutant, irritant or contaminant, including without limitation, petroleum, petroleum byproducts or derivatives, asbestos, polychlorinated biphenyls, mold or other bacterial matter, as defined, listed or referred to in any Environmental Law, together with any amendments thereto, regulations promulgated thereunder and all substitutions thereof. Hazardous Substances shall not include Hazardous Substances used in the Tenant’s customary business operations provided same are used in such quantities and handled in such manner as allowed/required under applicable Environmental Laws.

8.6 Environmental Notice. “Environmental Notices” shall mean, in addition to its ordinary meaning, any communications of any nature, whether in the form of correspondence, memoranda, order, directives or otherwise.

8.7 Remediate or Remediation. “Remediate” or “Remediation” shall mean all actions to investigate and clean up or respond to any known, suspected or threatened Discharge of a Hazardous Substance, including without limitation; environmental investigation, monitoring and sampling; installation, maintenance and removal of monitoring wells; removal, treatment, neutralization or containment of any Hazardous Substance; storage of excavated materials; and installation, maintenance, storage and removal of machinery and equipment used in connection with the Remediation, to the extent necessary to comply with the applicable Environmental Laws.

8.8 Tank Laws. “Tank Laws” shall mean all federal, state, regional, county, or municipal environmental statutes, ordinances, rules or regulations relating to the underground storage tanks, including, without limitation, the Federal Underground Storage Law, subtitle 1 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6901 et seq. together with any amendments thereto, regulations promulgated thereunder and all substitutions thereof, and any successor legislation and regulations.

8.9 Underground Storage Tanks. “Underground Storage Tanks” shall have the meaning ascribed in such term under the Tank Laws, and shall also include unregulated underground storage tanks used to store Hazardous Substances.

8.10 General Environmental Compliance Clauses

a. Presence and Use of Hazardous Substances. Neither Tenant nor Tenant’s agents or contractors shall, without Landlord’s prior written consent, keep any Hazardous Substances on or about the Premises, the Common Areas or the Development, in violation of Environmental Laws.

b. Tenant’s Compliance with Environmental Laws. Tenant shall at Tenant’s own expense, comply with any applicable transaction triggered Environmental Laws, but only in the event of a closing of Tenant’s operations or transfer of Tenant’s operations or change in the ownership of Tenant. If such compliance, becomes necessary due to any action or omission of Landlord, or any third party other than Tenant, including, without limitation, a trigger of a transaction triggered Environmental Law due to a change in ownership of the Premises or the Development, or a change in ownership of Landlord, then Landlord shall, at Landlord’s own expense, promptly comply with such transaction triggered Environmental Law. Notwithstanding anything in the contrary set forth in this Section, and regardless of whether such compliance is triggered by Landlord or Tenant, Tenant, shall only be responsible to investigate and Remediate Hazardous Substances at the Premises in the most cost effective manner possible under the circumstances to comply with applicable Environmental laws, and only to the extent that the Hazardous Substances were Discharged by Tenant or Tenant’s employees, agents or contractors. In all other respects, Landlord shall, at Landlord’s own expense, and without interfering with the ongoing business operations of Tenant in a commercially unreasonable manner, promptly comply with such transaction triggered Environmental Laws, including without limitation taking all other action required by applicable Environmental Laws with respect to any Discharge of Hazardous Substances. Landlord hereby represents that to the best of his knowledge that as of the date of execution of this Lease there exists no violation of Environmental Laws as that term is defined herein, provided however, if such violation arises as a result of any act prior to the date of the execution of this Lease, Landlord shall be responsible for any and all costs associated with such violation or remedy: provided further, nothing herein shall be construed to prevent Landlord from seeking contribution and indemnity from prior (i) title holders; (ii) tenants; (iii) any other generator as that term is used in the definition of Environmental Laws; or (iv) any other polluter.

c. Information to Tenant. At no expense to Tenant, Landlord shall promptly provide all information reasonable requested by Tenant or any applicable Governmental Authority with respect to Tenant's obligations under this Section, and shall promptly sign such affidavits, submissions and other documents reasonable requested by Tenant or any applicable Governmental Authority.

d. Notice of Meetings. Tenant shall commercially reasonable efforts to notify Tenant in advance of all meetings scheduled by Landlord or Landlord's agents or contractors, with any Governmental Authority with respect to the Premises, the Common Area or the Development and shall have the right to attend and participate in all such meetings.

ARTICLE IX GENERAL PROVISIONS

9.1 Quiet Enjoyment. Tenant shall, provided Tenant shall not be in default hereunder, be permitted to peaceably and quietly hold and enjoy the Leased Premises during the term hereof.

9.2 Access to Premises. Landlord, its agents, servants, or employees may enter the Premises at reasonable times with reasonable advance notice to Tenant (or an authorized employee of Tenant at the Premises), and at any time, upon reasonable notice to Tenant under the circumstances, in an emergency, to do the following: inspect the Premises; comply with all laws, orders, ordinances and requirements of any governmental unit or authority for which Landlord may be responsible under this Lease, if any; show the Premises to prospective lenders or purchasers and, during the ninety (90) days immediately prior to the expiration of this Lease if Tenant declines to renew for an additional term in accordance with the provisions of this Lease, to prospective tenants, but only if all such showings are accompanied by a representative Tenant if so requested by Tenant; or post (on the Development, but not within or at the entrance of the Premises) for sale or for lease signs; provided; however, that all such entries shall be completed promptly in a good workmanlike manner so as to cause the least practical interference to Tenant's business and Tenant's use of the Premises. In all events, Landlord shall use commercially reasonable efforts to minimize interference with the Premises and Tenant's business operations thereon. If Landlord's entry materially and substantially interferes with the conduct of Tenant's business and/or cause damage to Tenant's property (and the entry is not needed because of Tenant's default, negligence or willful misconduct), then in such event the rent and any sums due and payable as additional rents, shall abate in proportion to the extent of the interference and Landlord shall be liable for any damage to Tenant's property.

9.3 Mutual Indemnification. Subject to the waiver of subrogation provision, Tenant agrees to indemnify and hold Landlord harmless from any and all losses, damages, liability, or expenses (including reasonable attorneys' fees) incurred by Landlord, arising from loss of life, personal injury and/or property damage, caused by or resulting from, in whole or in part, any negligent act or omission or intentional misconduct of Tenant or any officer, agent, contractor or employee of Tenant in the Development, in connection with Tenant's use of occupancy of the Premises. Subject to the waiver of subrogation provision, Landlord agrees to indemnify and hold Tenant harmless from any and all losses, damages, liability, or expenses (including reasonable attorneys' fees) incurred by Tenant, arising from loss of life, personal injury and/or property damage, caused by or resulting from, in whole or in part, any negligent act or omission or intentional misconduct of Landlord or any officer, agent, contractor or employee of Landlord, in connection with Landlord's management and operation of the Leased Premises.

9.4 Concurrent Negligence. Notwithstanding the provisions of Mutual Indemnification above, in the event of the concurrent negligence or intentional misconduct of Tenant, its agents, employees, sublessees, or contractors on the one hand and that the Landlord, its partners, directors, officers, agents, employees, or contractors on the other hand, which concurrent negligence or intentional misconduct results in injury or damage to persons or property and relates to the construction, alteration, repair, addition to, subtraction from, improvement to, or maintenance of the Leased Premises a party's (the "Indemnifying Party") obligation to indemnify the other shall be limited to the extent of the Indemnifying Party's negligence and/or intentional misconduct, and that of its agents, employees, sublessees, or contractors, including the Indemnifying Party's proportionate share of reasonable costs, attorneys' fees, and expenses incurred in connection with any claim, action, or proceeding brought with respect to such injury or damage.

9.5 Tenant's Default.

a. Default. The occurrence of any one or more of the following events shall constitute a default of this Lease by Tenant (a "Tenant Default"): (a) the failure by Tenant to make any payment of Monthly Rent, or any other payment required to be made by Tenant hereunder, as and when due, where such failure shall continue for a period of fifteen (15) days after Tenant's receipt of written notice thereof by Landlord to Tenant; provided that if Tenant fails to pay Monthly Rent or any other payment required to be made by Tenant hereunder on time more than two (2) times in a twelve (12) month period, a Tenant Default shall occur notwithstanding that such payments have been made within the applicable cure period; (b) the failure by Tenant to observe or perform any of the covenants, conditions, or provisions of this Lease to be observed or performed by Tenant, other than as described in subsection (a) above, where such failure shall continue for a period of thirty (30) days after Tenant's receipt of written notice thereof by Landlord provided, that if such cure reasonably requires more than thirty (30) days to complete, then Tenant shall not be in default if Tenant shall promptly commence the cure of such Tenant Default and diligently pursues such cure to completion; (c) the making by Tenant of a general assignment or general arrangement for the benefit of creditors; the filing of a voluntary bankruptcy petition by Tenant. If an involuntary bankruptcy petition against Tenant has been filed and is not contested, dismissed, or stayed within sixty (60) days of filing; or the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not contested, discharged, or stayed in thirty (30) days after appointment of said trustee or receiver, provided however, if a final order adjudicating the tenant as being bankrupt or appointing a trustee or receiver shall have been entered pursuant to 11 U.S.C. §303 such order shall be an event of default hereunder, or the filing of a petition for the appointment of same by the Tenant, whichever shall first occur and (d) failure to maintain the premises as an adult cabaret in continuous operation, subject to the provisions of Article VI. Notwithstanding anything in this provision which may be construed to the contrary, Tenant, in the event of an involuntary bankruptcy petition against it, has the right to contest an order for relief prior to entry of or defeating the entry of same.

b. Remedies in Default. On the occurrence of the Tenant Default and after the applicable notice and cure period, and subject to terms and conditions provided herein, Landlord may, without limiting Landlord in the exercise of any other right or remedy that Landlord may have by reason or such default, the remedies of Landlord hereunder being cumulative and not exclusive of one another: (a) perform on Tenant's behalf, any unperformed covenant or obligation hereunder constituting such Tenant Default (after giving Tenant written notice of Landlord's intention to do so except in the case of emergency), in which event Tenant shall reimburse Landlord for all expenses reasonably incurred by Landlord in doing so, plus interest at the Default Rate, which expenses and interest shall be additional rent and shall be payable by Tenant immediately on demand therefore by Landlord; and/or (b) terminate this Lease and collect liquidated damages from Tenant in an amount equal to (i) the sum of all amounts due hereunder to the date of termination; plus (ii) the aggregate rent remaining over the unexpired portion of the Term, plus the reasonable cost to Landlord of any repairs required to comply with Tenant's obligations, all reduced to present value using a discount rate equal to the interest rate of a governmental security having a mutual closest to the then current expiration of the Term; less (iii) the aggregate fair net rental value of the Premises over the remaining portion of the Term (provided, however, a reasonable period of time, not to exceed twenty four (24) months, may be considered as a leasing period by which the Premises would not be leased and therefore no income would be realized for such period) reduced to present value at the above specified discount rate; plus (iv) Landlord's costs and expenses incurred in the enforcement hereof including reasonable attorneys fees as herein provided, or (c) maintain Tenant's right to possession, in which case this Lease shall continue in effect and Landlord shall be entitled to enforce all of Landlord's right and remedies under this Lease, include the right to recover the Rent and other amounts payable hereunder as they become due hereunder.

9.6 Landlord Disclaimer. Except as may be otherwise in this Lease expressly provided, the Premises is being leased "AS IS," with Tenant accepting all defects, if any; and except as otherwise in the Lease expressly provided, Landlord makes no warranty of any kind, express or implied, with respect to the Premises (without limitation, Landlord makes no warranty as to the habitability, fitness or suitability of the Premises for a particular purpose). This section is subject to any contrary requirements under applicable law, however, in this regard Tenant acknowledges that it has been or is being given the opportunity to inspect the Premises and to have qualified experts inspect the Premises prior to the execution of this Lease. Landlord is not in receipt of any notice from any governmental authority regarding a negative environment issue with respect to the Leased Premises and knows of no negative environment issue with respect to the Leased Premises.

9.7 Brokerage Commission. Landlord and Tenant warrant and represent that they have not dealt with any real estate broker or salesman in connection with this Lease. Landlord and Tenant further represent they have dealt with no other person that would create any liability for the payment of a commission by the other party. The party who breaches this warranty shall defend, hold harmless, and indemnify the non-breaching party from any claims or liability arising from the breach.

9.8 Choice of Law. This Lease shall be governed by the laws of the State of Texas.

9.9 Authority to Execute. Tenant represents and warrants that this Lease has been duly authorized, executed and delivered by and on behalf of Tenant and constitutes the valid, binding, and enforceable agreement of Tenant in accordance with the terms hereof. Landlord represents and warrants that this Lease has been duly authorized, executed and delivered by and on behalf of Landlord, and constitutes the valid, binding and enforceable agreement of Landlord in accordance with the terms hereof.

9.10 No Construction Against Drafting Party. Landlord and Tenant acknowledge that each of them and their respective counsel have had an opportunity to review this Lease and that this Lease shall not be construed for or against either party merely because such party prepared or drafted this Lease or any particular provision thereof.

9.11 Number of Execution Copies/Counterparts. This Lease may be executed in any number of counterparts, each of which shall be an original, but all of which shall constitute one instrument.

9.12 Prior Agreement. THIS LEASE CONTAINS THE ENTIRE AGREEMENT OF THE PARTIES HERETO AND ANY AND ALL ORAL AND WRITTEN AGREEMENTS, UNDERSTANDINGS, REPRESENTATIONS, WARRANTIES, PROMISES, AND STATEMENTS OF THE PARTIES HERETO AND THEIR RESPECTIVE OFFICERS, DIRECTORS, PARTNERS, AGENTS, AND BROKERS WITH RESPECT TO THE SUBJECT MATTER OF THE LEASE, AND ANY MATTER COVERED OR MENTIONED IN THIS LEASE SHALL BE MERGED IN THIS LEASE AND NO SUCH PRIOR ORAL OR WRITTEN AGREEMENT, UNDERSTANDING, REPRESENTATION, WARRANTY, PROMISE, OR STATEMENT SHALL BE EFFECTIVE OR BINDING FOR ANY REASON OR PURPOSE UNLESS SPECIFICALLY SET FORTH IN THIS LEASE. NO PROVISION OF THIS LEASE MAY BE AMENDED OR ADDED TO EXCEPT BY AN AGREEMENT, IN WRITING, SIGNED BY THE PARTIES HERETO OR THEIR RESPECTIVE SUCCESSORS IN INTEREST. THIS LEASE SHALL NOT BE EFFECTIVE OR BINDING ON ANY PARTY UNTIL FULLY EXECUTED BY BOTH PARTIES HERETO.

9.13 Acceptance. The submission of this Lease to Tenant does not constitute an offer to lease. This Lease shall become effective only upon the execution and delivery thereof by both Landlord and Tenant.

9.14 Consent. Except where otherwise expressly provided for in this Lease any consent or approval required under this Lease, pursuant to the terms of this Lease, may not be unreasonably withheld, conditioned, or delayed.

9.15 Attorneys' Fees. Should either party be required to engage an attorney to enforce this Agreement, or the arbitration section as set forth below, the prevailing party shall receive all reasonable cost of enforcement, including, but not limited to reasonable attorney's fee.

9.16

a. Notices. Any notice required or permitted to be given to party under the provisions of this Lease shall be deemed valid only if given in writing and (i) delivered personally or (ii) sent via United States Certified Mail, Return Receipt Requested, with postage prepaid or, (iii) sent via Federal Express or other similar nationally recognized overnight courier to the recipient for next business day delivery and addressed by the sender to the intended recipient:

If to RCI Entertainment (Fort Worth), Inc.:

Attn: Eric Langan, President
10959 Cutten Road
Houston, Texas 77066

Copy to: Robert D. Axelrod
Axelrod, Smith & Kirshbaum
5300 Memorial Drive, Suite 700
Houston, Texas 77007

If to Landlord:

Bryan S. Foster
2171 Manana Drive
Dallas, TX 75220

Copy to: Kevin Richardson
6716 Valley View Lane
Sachse, TX 75048

With additional copy to:

Art Selander, Esq.
Quilling, Selander, Cummiskey & Lownds, P.C
2001 Bryan Tower, Ste. 1800
Dallas, TX 75201

b. All references to days for Notice contained in this Lease shall mean Business Days, provided however, this provision shall not apply to Section 1.9.

9.17 Successors. This Lease binds and inures to the benefit of the parties and their respective heirs, legal representatives, successors and assigns.

9.18 Recordation. Tenant and Landlord shall join in the execution of a short form Memorandum of Lease for purposes of recordation.

9.19 Estoppel Certificate. Landlord and Tenant agree that from time to time upon not less than ten (10) days prior request by Landlord, Tenant will deliver to Landlord a statement in writing certifying that (a) this Lease is unmodified and in full force and effect (or if there have been modifications, that this Lease is in full force and effect as modified and identifying the modifications), (b) the dates to which the rent and other charges have been paid, and (c) that so far as the person making the certificate knows, Landlord is not in default under any provision of this Lease and, if Landlord is in default specifying each such default of which the person making the certificate may have knowledge, it being understood that any such statement so delivered may be relied upon by Landlord, or any successor or assignee or interest of Landlord, or any prospective purchaser, mortgagee, or any assignee or any mortgage on the Leased Premises. Landlord also expressly agrees that this Lease shall not be subordinate to any mortgage that Landlord may grant on the Leased Premises subsequent to the date of execution of this Lease, and that no estoppel certificate so requested shall require such subordination and shall confirm that this Lease shall not be so subordinated.

9.20 Waiver of Covenants. No waiver of any condition or covenant of this Lease shall be deemed to imply or constitute a further waiver of the same or any other like condition or covenant, and nothing therein contained shall be construed to be a waiver on the part of Landlord of any right or remedy at law or otherwise, and all of Landlord's remedies herein provided for shall be deemed to be cumulative. A modification or amendment of this Lease will be valid and effective only if it is in writing signed by each of the parties.

9.21 Headings. The headings used in this Lease are inserted for convenience and are not to be considered in the construction of the provisions of this Lease.

9.22 Covenants Run With Land. All covenants and agreements contained in this Lease shall be construed as covenants running with the land, and all rights and powers given to and obligations imposed upon the respective parties shall be construed as inuring to and binding upon the successors in interest and the permitted assigns of the parties hereto, respectively.

9.23 Time of Essence. Time is of the essence with respect to the performance of the parties' obligations under this Lease.

9.24 Right of Offset. Notwithstanding anything contained herein to the contrary, the Tenant or his assigns or subtenants shall have the right of offset against any sums due hereunder as a result of Bryan S. Foster (Landlord) or his assigns default of all or any terms of this Lease. The right of offset shall not be exercised until the arbitration procedures set forth in Section 9.26 have been exhausted.

9.25 Limitation of Damages. No party shall be liable to any other party for any special or punitive damages, whether at law or equity.

9.26 Arbitration. Each of the parties hereto agrees to submit to binding arbitration any and all differences and disputes which may arise between them, their heirs, successors, assigns, employees, officers, directors, affiliates, subsidiaries, or shareholders which are related to this Agreement. Prior to initiating arbitration, the parties shall first meet face-to-face to effect a resolution of the differences. Any differences which the parties are unable to resolve in said face-to-face meeting shall be heard and finally settled at a mutually agreed upon location by the parties, by binding arbitration in accordance with the Commercial Rules of the American Arbitration Association. If the parties do not agree upon a location, the arbitration proceeding shall be conducted in Dallas, Texas. Any award entered in any such arbitration shall be final, binding, and may be entered and enforced in any court of competent jurisdiction. The arbitrator shall make such orders, conduct and schedule all proceedings in connection with the arbitration so that final arbitration commences no less than thirty (30) days and concludes no later than seventy-five (75) days after a party files the initial notice of arbitration, and so that the final arbitration award is made and delivered to the parties within ninety (90) days after the filing of the initial notice of arbitration. The cost of such arbitration shall be apportioned as determined by the arbitrator, in any manner determined by him/her based upon the fault or lack thereof by the respective parties. If the cost of such arbitration is not apportioned by the arbitrator, then the cost shall be borne equally between the parties hereto. Nothing herein contained shall be construed as preventing any party from instituting legal or equitable action against any of the other parties for temporary or similar provisional relief to the full extent permitted under the laws applicable to this Agreement, or any such other written agreement between the parties or the performance hereof or thereof or otherwise pending final settlement of any dispute, difference or question by arbitration. Any such provisional relieve may be modified or amended in any way by the arbitrator at any time after his appointment.

Initials

Initials

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed or have caused this Lease to be executed as of July 16, 2010.

LANDLORD: BRYAN S. FOSTER

/s/ Bryan S. Foster

BRYAN S. FOSTER

TENANT: RCI ENTERTAINMENT
(FORT WORTH), INC.

/s/ Eric Langan

BY : Eric Langan

ITS: President



FOR IMMEDIATE RELEASE

RICK'S CABARET INTERNATIONAL, INC. ACQUIRES JAGUAR'S GOLD CLUB IN FORT WORTH FROM VCG HOLDING CORP.

HOUSTON – (July 19, 2010) – **RCI Entertainment (Fort Worth), Inc.**, a subsidiary of **Rick's Cabaret International, Inc.** (NASDAQ: RICK), the premier publicly traded group of upscale gentlemen's clubs, has acquired **Jaguar's Gold Club** in Fort Worth, Texas, from **VCG Holding Corp.** (NASDAQ: VCGH).

Jaguar's Gold Club is located south of DFW International Airport at 12325 Calloway Cemetery Road.

"The Jaguar's Gold Club acquisition is another key addition to the cluster of clubs we have assembled in the vibrant Dallas-Fort Worth market," said **Eric Langan**, President and CEO of Rick's Cabaret. "It will add to our purchasing power, marketing advantages, deployment of regional management and other synergies in this market and it is another signal that we are continuing to acquire clubs that will be accretive to our earnings."

RCI (Fort Worth) paid \$1 million in cash and also transferred to VCG Holding 467,497 shares of VCGH common stock that Rick's Cabaret had purchased on the open market over the past year. Along with a long-term lease, RCI also acquired an option to buy the property on which the club is located at a price to be determined.

The purchase will bring to seven the number of clubs owned by subsidiaries of Rick's Cabaret in the Dallas-Fort Worth market, including a turnkey acquisition of a club near the **DFW International Airport** that is scheduled to be completed later this year. Subsidiaries of Rick's Cabaret now own 21 adult clubs nationwide, including the flagship **Rick's Cabaret** in New York City and **Tootsie's Cabaret** in Miami Gardens, Florida.

Mr. Langan said the Jaguar's Gold Club transaction has no connection to negotiations Rick's Cabaret held earlier this year to acquire all of the outstanding stock of **VCG Holding Corp.**

About Rick's Cabaret : Rick's Cabaret International, Inc. (NASDAQ: RICK) is home to upscale adult nightclubs serving primarily businessmen and professionals that offer live entertainment, dining and bar operations. Nightclubs in New York City, Miami, Philadelphia, New Orleans, Charlotte, Dallas, Houston, Minneapolis and other cities operate under the names "Rick's Cabaret," "XTC," "Club Onyx" and "Tootsie's Cabaret". Sexual contact is not permitted at these locations. Rick's Cabaret also operates a media division, ED Publications, and owns the adult Internet membership Website couplestouch.com as well as a network of online adult auction sites under the flagship URL naughtybids.com. Rick's Cabaret common stock is traded on NASDAQ under the symbol RICK. For further information visit www.ricksinvestor.com or contact ir@ricks.com.

Forward-looking Statements : This document contains forward-looking statements that involve a number of risks and uncertainties that could cause the company's actual results to differ materially from those indicated in this document, including the risks and uncertainties associated with operating and managing an adult business, the business climates in cities where it operates, the success or lack thereof in launching and building the company's businesses, risks and uncertainties related to the operational and financial results of our Web sites, conditions relevant to real estate transactions, and numerous other factors such as laws governing the operation of adult entertainment businesses, competition and dependence on key personnel. Rick's has no obligation to update or revise the forward-looking statements to reflect the occurrence of future events or circumstances. For further information visit www.ricks.com <http://www.ricks.com/>.

Contact: Allan Priaulx, 212-338-0050, allan@ricks.com
