
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-3

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Commission File Number _____

RICK'S CABARET INTERNATIONAL, INC.

TEXAS

(State or other jurisdiction of incorporation or
organization)

76-0458229

(IRS Employer Identification No.)

5810

(Primary Standard Industrial Classification Code)

10959 Cutten Road

Houston, Texas

(Address of principal executive offices)

77066

(Zip Code)

(281) 397-6730

(Issuer's telephone number, including area code)

ERIC LANGAN
PRESIDENT AND CHIEF EXECUTIVE OFFICER
RICK'S CABARET INTERNATIONAL, INC.
10959 CUTTEN ROAD
HOUSTON, TEXAS 77066

(Name, address, including zip code, and telephone number,
including area code, of agent for service)

Copies to:

ROBERT D. AXELROD, ESQ.
AXELROD, SMITH & KIRSHBAUM, P.C.
5300 MEMORIAL DRIVE, SUITE 700
HOUSTON, TEXAS 77007
(713) 861-1996

Approximate Date of Commencement of Proposed Sale to the Public: From time to time after the effective date of this registration statement.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. ☐

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. ☐

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 413(b) under the Securities Act, check the following box. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange

Act.

Large accelerated filer ☐
Non-accelerated filer ☐

Accelerated filer ☒
Smaller reporting company ☐

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered ⁽¹⁾	Proposed maximum offering price per Share	Proposed maximum aggregate offering price	Amount of registration fee ⁽²⁾
common stock, \$.01 par value, upon exercise of options and warrants	404,082 ⁽³⁾	\$ 10.41 ⁽⁴⁾	\$4,206,493.60	\$ 488.37
TOTAL	404,082	N/A	\$4,206,493.60	\$ 488.37

- (1) In accordance with Rule 416 under the Securities Act of 1933, as amended (the "Securities Act"), this registration statement also covers any additional shares of common stock which may become issuable by reason of any stock dividends, stock splits, or similar transactions which results in an increase in the number of registrant's outstanding shares of common stock.
- (2) This calculation is made solely for the purposes of determining the registration fee pursuant to the provisions of Rule 457 under the Securities Act.
- (3) Represents the maximum number of shares of common stock that the registrant expects could be issuable upon exercise of the options and warrants.
- (4) The shares offered will be sold by the selling security holders in market transactions, or through negotiated transactions or otherwise, at market prices prevailing at the time of sale or at negotiated prices. Accordingly, the price indicated is based on the average of the high and low prices reported by NASDAQ for May 12, 2011, in compliance with Rule 457(c) under the Securities Act.

DELAYING AMENDMENT UNDER RULE 473(A): The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall become effective in accordance with section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission acting pursuant to section 8(a), may determine.

THE INFORMATION IN THIS PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. THE SELLING SECURITY HOLDERS MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND THE SELLING SECURITY HOLDERS ARE NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED.

PROSPECTUS

SUBJECT TO COMPLETION, DATED MAY 12, 2011

RICK'S CABARET INTERNATIONAL, INC.
404,082 SHARES OF COMMON STOCK

This prospectus relates to the offering for resale by the selling security holders of up to 404,082 shares of our common stock, \$0.01 par value, issuable upon the exercise of options and warrants to purchase common stock. We sold the warrants to certain investors through private placements, and we issued the options to certain officers, directors and employees as compensation. For a list of the selling security holders, please see "Selling Security Holders" section herein. We are not selling any shares of our common stock in this offering and therefore will not receive any proceeds from the sale thereof. We will, however, receive proceeds from any options and warrants exercised, which are exercisable for cash. We will bear all expenses, other than selling commissions and fees of the selling security holders, in connection with the registration and sale of the shares being offered by this prospectus.

These shares may be sold by the selling security holders from time to time in the over-the-counter market or other national securities exchange or automated interdealer quotation system on which our common stock is then listed or quoted, through negotiated transactions or otherwise at market prices prevailing at the time of sale or at negotiated prices.

Our common stock is quoted on the NASDAQ Global Market under the symbol "RICK." On May 12, 2011, the last reported sales price of our common stock was \$10.38 per share.

INVESTING IN OUR COMMON STOCK INVOLVES A HIGH DEGREE OF RISK. PLEASE REFER TO THE "RISK FACTORS" BEGINNING ON PAGE 5.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES, OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE DATE OF THIS PROSPECTUS IS _____, 2011.

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PROSPECTUS SUMMARY

The following summary highlights selected information contained in this prospectus. This summary does not contain all of the information you should consider before investing in the securities. Before making an investment decision, you should read the entire prospectus carefully, including the Risk Factors section, the financial statements and the notes to the financial statements. You should also review the other available information referred to in the section entitled "Where you can find more information" on page 13 in this prospectus and any amendment or supplement hereto. Unless otherwise indicated, the terms the "Company," "we," "us," and "our" refer and relate to Rick's Cabaret International, Inc. and its 100%-owned, 85%-owned and 51%-owned consolidated subsidiaries.

The Company

We were incorporated in the State of Texas in 1994. Through our subsidiaries, we currently own and/or operate a total of twenty-two adult nightclubs that offer live adult entertainment and restaurant and bar operations and one non adult-oriented nightclub. Nine of our clubs operate under the name "Rick's Cabaret"; four operate under the name "Club Onyx," upscale venues that welcome all customers but cater especially to urban professionals, businessmen and professional athletes; six clubs operate under the name "XTC Cabaret"; one club operates as "Tootsie's"; one club operates as "Cabaret East"; and one club operates as "Cabaret North." Our nightclubs are in Houston, Austin, San Antonio, Dallas and Fort Worth, Texas; Charlotte, North Carolina; Minneapolis, Minnesota; New York, New York; Miami Gardens, Florida; Philadelphia, Pennsylvania; Indianapolis, Indiana and Las Vegas, Nevada (property for sale). In addition to the above clubs, we intend to reopen, under a new concept, the former Rick's Cabaret in Austin, Texas, which has been closed for several months. No sexual contact is permitted at any of our locations.

We also own a media division, including the leading trade magazine serving the multi-billion dollar adult nightclubs industry. Included in the media division are two industry trade shows, two other industry trade publications and more than 25 industry websites. Further, we own and operate premiere adult entertainment Internet websites, including a personals site for those in the swinging lifestyle and an online adult auction site and an adult content site. Most of our sites use proprietary software platforms written by us.

Our nightclub revenues are derived from the sale of liquor, beer, wine, food, merchandise, cover charges, membership fees, independent contractors' fees, commissions from vending and ATM machines, valet parking, and other products and services. Our internet revenues are derived from subscriptions to adult content internet websites, traffic/referral revenues, and commissions earned on the sale of products and services through Internet auction sites, and other activities.

Our executive offices are located at 10959 Cutten Road, Houston, Texas 77066. Our website address is www.ricks.com. We also have an investors' website – www.ricksinvestor.com. Information contained in these websites is not be construed as part of this prospectus. Upon written request, we make available free of charge our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and all amendments to those reports as soon as reasonably practicable after such material is electronically filed with the SEC under Securities Exchange Act of 1934, as amended.

June 2010 and August 2009 Private Placements

On June 25, 2010, we completed the sale of an aggregate of \$9.2 million in 10% Convertible Debentures to certain accredited investors. In connection with the sale of the debentures, we also issued an aggregate of 179,513 warrants (the "June 2010 Warrants") to the investors. We issued each investor a number of warrants equal to 20% of the number of shares of common stock into which each investor's debenture was convertible. The June 2010 Warrants have an exercise price of \$10.25 and expire on June 25, 2013. The June 2010 Warrants provide that we have the right to require exercise of the warrants if the closing price of our common stock for 20 consecutive trading days is at least \$14.35.

On August 6, 2009, we completed the sale of an aggregate of \$7.2 million in 10% Convertible Debentures to certain accredited investors. In connection with the sale of the debentures, we also issued an aggregate of 164,569 warrants (the “August 2009 Warrants”) to the investors. We issued each investor a number of warrants equal to 20% of the number of shares of common stock into which each investor’s debenture is convertible. The August 2009 Warrants have an exercise price of \$8.75 and expire on August 5, 2012. The August 2009 Warrants provide that we have the right to require exercise of the warrants if the closing price of our common stock for 20 consecutive trading days is at least \$12.25.

July 2009 Stock Option Issuance

On July 22, 2009, we issued 10,000 stock options to each of our Directors who is a member of the Audit Committee, 5,000 options to our other Directors and 10,000 options to an employee (collectively, the “July 2009 Options”). These options (60,000 in total) became exercisable on July 22, 2010, have a strike price of \$8.75 per share and expire on July 22, 2011. The issuance of the July 2009 Options was approved by our Board of Directors.

The selling security holders are the holders of the June 2010 Warrants, the August 2010 Warrants and the July 2009 Options. The shares covered by this prospectus consist of the 404,082 shares of our common stock, in aggregate, which are issuable upon the exercise of the July 2009 Options, the June 2010 Warrants and the August 2010 Warrants.

The Offering

Outstanding
Common Stock

9,936,891 shares (as of May 2, 2011).

Common Stock
Offered

Up to 404,082 shares of common stock upon the exercise of options and warrants held by certain selling security holders.

Offering Price

Determined at the time of sale by the selling security holders.

Proceeds

We are not selling any shares of our common stock in this offering and therefore will not receive any proceeds from the sale thereof. We will, however, receive proceeds from any options or warrants exercised, which are exercisable for cash. The selling security holders will pay any underwriting discounts and commissions and expenses incurred by the selling security holders for brokerage, accounting, tax or legal services or any other expenses incurred by the selling security holders in disposing of the shares. We will bear all other costs, fees and expenses incurred in effecting the registration of the shares covered by this prospectus, including, without limitation, all registration and filing fees, Nasdaq Global Market listing fees, blue sky registration and filing fees, and fees and expenses of our counsel and our accountants.

Risk Factors

The securities offered hereby involve a high degree of risk. See “Risk Factors” herein.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

We are including the following cautionary statement in this Form S-3 to make applicable and take advantage of the safe harbor provision of the Private Securities Litigation Reform Act of 1995 for any forward-looking statements made by us or on behalf of us. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements, which are other than statements of historical facts. Certain statements in this Form S-3 are forward-looking statements. These statements are subject to risks and uncertainties and are based on the beliefs and assumptions of management and information currently available to management. The use of words such as “believes,” “expects,” “anticipates,” “intends,” “plans,” “estimates,” “should,” “likely” or similar expressions, indicates a forward-looking statement. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties are set forth below. Our expectations, beliefs and projections are expressed in good faith and we believe that they have a reasonable basis, including without limitation, our examination of historical operating trends, data contained in our records and other data available from third parties. There can be no assurance that our expectations, beliefs or projections will result, be achieved, or be accomplished. In addition to other factors and matters discussed elsewhere in this Form S-3, the following are important factors that in our view could cause material adverse affects on our financial condition and results of operations: risks and uncertainties associated with (i) operating and managing an adult business, (ii) the business climates in cities where the company operates, (iii) the success or lack thereof in launching and building the company’s businesses, (iv) the operational and financial results of the company’s adult nightclubs, (v) conditions relevant to real estate transactions, (vi) the loss of key personnel, and (vii) laws governing the operation of adult entertainment businesses.

For a discussion of some additional factors that may cause actual results to differ materially from those suggested by the forward-looking statements, please read carefully the information under “Risk Factors” beginning on page 3. The identification in this document of factors that may affect future performance and the accuracy of forward-looking statements is meant to be illustrative and by no means exhaustive. All forward-looking statements should be evaluated with the understanding of their inherent uncertainty.

We operate in a very competitive and rapidly changing environment. New risks emerge from time to time and it is not possible for our management to predict all risks, nor can we assess the impact of all risks on our business or the extent to which any risk, or combination of risks, may cause actual results to differ from those contained in any forward-looking statements. All forward-looking statements included in this prospectus are based on information available to us on the date of the prospectus. Except to the extent required by applicable laws or rules, we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements contained throughout this prospectus.

You may rely only on the information contained in this prospectus. We have not authorized anyone to provide information different from that contained in this prospectus. Neither the delivery of this prospectus nor the sale of common stock means that information contained in this prospectus is correct after the date of this prospectus. This prospectus is not an offer to sell or solicitation of an offer to buy these securities in any circumstances under which the offer or solicitation is unlawful.

RISK FACTORS

An investment in our common stock involves a high degree of risk. You should carefully consider the risks described below before deciding to purchase shares of our common stock. If any of the events, contingencies, circumstances or conditions described in the risks below actually occurs, our business, financial condition or results of operations could be seriously harmed. The trading price of our common stock could, in turn, decline and you could lose all or part of your investment.

Our Business Operations Are Subject to Regulatory Uncertainties Which May Affect Our Ability to Continue Operations of Existing Nightclubs, Acquire Additional Nightclubs or Be Profitable

Adult entertainment nightclubs are subject to local, state and federal regulations. Our business is regulated by local zoning, local and state liquor licensing, local ordinances and state and federal time place and manner restrictions. The adult entertainment provided by our nightclubs has elements of speech and expression and, therefore, enjoys some protection under the First Amendment to the United States Constitution. However, the protection is limited to the expression, and not the conduct of an entertainer. While our nightclubs are generally well established in their respective markets, there can be no assurance that local, state and/or federal licensing and other regulations will permit our nightclubs to remain in operation or profitable in the future.

Beginning January 1, 2008, the Company's Texas clubs became subject to a new state law requiring each club to collect and pay a \$5 surcharge for every club visitor. A lawsuit was filed by the Texas Entertainment Association ("TEA"), an organization to which we are a member, alleging the fee amounts to be an unconstitutional tax. On March 28, 2008, a State District Court Judge in Travis County, Texas ruled that the new state law violates the First Amendment to the United States Constitution and is therefore invalid. The judge's order enjoined the State from collecting or assessing the tax. The State appealed the Court's ruling. In Texas, when cities or the State give notice of appeal, it supersedes and suspends the judgment, including the injunction. Therefore, the judgment of the District Court cannot be enforced until the appeals are completed. Given the suspension of the judgment, the State has opted to collect the tax pending the outcome of its appeal. On June 5, 2009, the Court of Appeals for the Third District (Austin) affirmed the District Court's judgment that the Sexually Oriented Business ("S.O.B.") Fee violated the First Amendment to the U.S. Constitution. The Attorney General of Texas has asked the Texas Supreme Court to review the case. On August 26, 2009, the Texas Supreme Court ordered both sides to submit briefs on the merits, while not yet deciding whether to grant the State's Petition for review. The State's brief was filed on September 25, 2009 and the Texas Entertainment Association's brief was filed on October 15, 2009. On February 12, 2010, the Supreme Court of Texas granted review of the Petition by the Attorney General of Texas. Oral argument of the matter was heard on March 25, 2010. We are awaiting a ruling from the Texas Supreme Court.

The Company has paid the tax for the first five calendar quarters under protest and expensed the tax in the accompanying consolidated financial statements, except for two locations in Dallas where the taxes have not been paid, but the Company is accruing and expensing the liability. For the subsequent quarters, as a result of the Third Court's decision, the Company accrued the fee, but did not pay the State. As of March 31, 2011, the Company has approximately \$5.4 million in accrued liabilities for this tax. The Company has paid more than \$2 million to the State of Texas since the inception of the tax. The Company's Texas clubs have filed a separate lawsuit against the State to demand repayment of the taxes. If the State's appeal ultimately fails, the Company's current amount paid under protest would be repaid or applied to future admission tax and other Texas state tax liabilities.

Our Business Has Been, and May Continue to Be, Adversely Affected by Conditions in the U.S. Financial Markets and Economic Conditions Generally

Our nightclubs are often acquired with a purchase price based on historical EBITDA. This results in certain nightclubs carrying a substantial amount of intangible value, mostly allocated to licenses and goodwill. Generally accepted accounting principles require an annual impairment review of these indefinite lived assets. If difficult market and economic conditions continue over the next year and/or we experience a decrease in revenue at one or more nightclubs, we could incur a decline in fair value of one or more of our nightclubs. This could result in future impairment charges of up to the total value of the indefinite lived intangible assets.

We May Need Additional Financing or Our Business Expansion Plans May Be Significantly Limited

If cash generated from our operations is insufficient to satisfy our working capital and capital expenditure requirements, we will need to raise additional funds through the public or private sale of our equity or debt securities. The timing and amount of our capital requirements will depend on a number of factors, including cash flow and cash requirements for nightclub acquisitions. If additional funds are raised through the issuance of equity or convertible debt securities, the percentage ownership of our then-existing shareholders will be reduced. We cannot assure you that additional financing will be available on terms favorable to us, if at all. Any future equity financing, if available, may result in dilution to existing shareholders, and debt financing, if available, may include restrictive covenants. Any failure by us to procure timely additional financing will have material adverse consequences on our business operations.

There Is Substantial Competition in the Nightclub Entertainment Industry, Which May Affect Our Ability to Operate Profitably or Acquire Additional Clubs

Our nightclubs face competition. Some of these competitors may have greater financial and management resources than we do. Additionally, the industry is subject to unpredictable competitive trends and competition for general entertainment dollars. There can be no assurance that we will be able to remain profitable in this competitive industry.

Risk of Adult Nightclubs Operations

Historically, the adult entertainment, restaurant and bar industry has been an extremely volatile industry. The industry tends to be extremely sensitive to the general local economy, in that when economic conditions are prosperous, entertainment industry revenues increase, and when economic conditions are unfavorable, entertainment industry revenues decline. Coupled with this economic sensitivity are the trendy personal preferences of the customers who frequent adult cabarets. We continuously monitor trends in our customers' tastes and entertainment preferences so that, if necessary, we can make appropriate changes which will allow us to remain one of the premiere adult cabarets. However, any significant decline in general corporate conditions or uncertainties regarding future economic prospects that affect consumer spending could have a material adverse effect on our business. In addition, we have historically catered to a clientele base from the upper end of the market. Accordingly, further reductions in the amounts of entertainment expenses allowed as deductions from income under the Internal Revenue Code of 1954, as amended, could adversely affect sales to customers dependent upon corporate expense accounts.

Permits Relating to the Sale of Alcohol

We derive a significant portion of our revenues from the sale of alcoholic beverages. States in which we operate may have laws which may limit the availability of a permit to sell alcoholic beverages or which may provide for suspension or revocation of a permit to sell alcoholic beverages in certain circumstances. The temporary or permanent suspension or revocations of any such permits would have a material adverse effect on the revenues, financial condition and results of operations of the Company. In all states where we operate, management believes we are in compliance with applicable city, county, state or other local laws governing the sale of alcohol.

Activities or Conduct at Our Nightclubs May Cause Us to Lose Necessary Business Licenses, Expose Us to Liability, or Result in Adverse Publicity, Which May Increase Our Costs and Divert Management's Attention from Our Business

We are subject to risks associated with activities or conduct at our nightclubs that are illegal or violate the terms of necessary business licenses. Our nightclubs operate under licenses for sexually oriented businesses and some protection under the First Amendment to the U.S. Constitution. While we believe that the activities at our nightclubs comply with the terms of such licenses, and that the element of our business that constitutes an expression of free speech under the First Amendment to the U.S. Constitution is protected, activities and conduct at our nightclubs may be found to violate the terms of such licenses or be unprotected under the U.S. Constitution. This protection is limited to the expression and not the conduct of an entertainer. An issuing authority may suspend or terminate a license for a nightclub found to have violated the license terms. Illegal activities or conduct at any of our nightclubs may result in negative publicity or litigation. Such consequences may increase our cost of doing business, divert management's attention from our business and make an investment in our securities unattractive to current and potential investors, thereby lowering our profitability and our stock price.

We have developed comprehensive policies aimed at ensuring that the operation of each nightclub is conducted in conformance with local, state and federal laws. We have a "no tolerance" policy on illegal drug use in or around the facilities. We continually monitor the actions of entertainers, waitresses and customers to ensure that proper behavior standards are met. However, such policies, no matter how well designed and enforced, can provide only reasonable, not absolute, assurance that the policies' objectives are being achieved. Because of the inherent limitations in all control systems and policies, there can be no assurance that our policies will prevent deliberate acts by persons attempting to violate or circumvent them. Notwithstanding the foregoing limitations, management believes that our policies are reasonably effective in achieving their purposes.

Our Acquisitions May Result in Disruptions in Our Business and Diversion of Management's Attention

We have made and may continue to make acquisitions of complementary nightclubs, restaurants or related operations. Any acquisitions will require the integration of the operations, products and personnel of the acquired businesses and the training and motivation of these individuals. Such acquisitions may disrupt our operations and divert management's attention from day-to-day operations, which could impair our relationships with current employees, customers and partners. We may also incur debt or issue equity securities to pay for any future acquisitions. These issuances could be substantially dilutive to our stockholders. In addition, our profitability may suffer because of acquisition-related costs or amortization, or impairment costs for acquired goodwill and other intangible assets. If management is unable to fully integrate acquired business, products or persons with existing operations, we may not receive the benefits of the acquisitions, and our revenues and stock trading price may decrease.

We Must Continue to Meet NASDAQ Global Market Continued Listing Requirements or We Risk Delisting

Our securities are currently listed for trading on the NASDAQ Global Market. We must continue to satisfy NASDAQ's continued listing requirements or risk delisting which would have an adverse effect on our business. If our securities are ever de-listed from NASDAQ, they may trade on the over-the-counter market, which may be a less liquid market. In such case, our shareholders' ability to trade or obtain quotations of the market value of shares of our common stock would be severely limited because of lower trading volumes and transaction delays. These factors could contribute to lower prices and larger spreads in the bid and ask prices for our securities. There is no assurance that we will be able to maintain compliance with the NASDAQ continued listing requirements.

In the Future, We Will Incur Significant Increased Costs as a Result of Operating as a Public Company, and Our Management Will Be Required to Devote Substantial Time to New Compliance Initiatives

In the future, we will incur significant legal, accounting and other expenses. The Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), as well as new rules subsequently implemented by the SEC, have imposed various new requirements on public companies, including requiring changes in corporate governance practices. Our management and other personnel will need to devote a substantial amount of time to these new compliance initiatives. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect these new rules and regulations to make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to incur substantial costs to maintain the same or similar coverage.

In addition, the Sarbanes-Oxley Act requires, among other things, that we maintain effective internal controls for financial reporting and disclosure controls and procedures. In particular, commencing in fiscal 2008, we have been required to perform system and process evaluation and testing on the effectiveness of our internal controls over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act. Then, beginning in fiscal 2010, our independent registered public accounting firm has reported on the effectiveness of our internal controls over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act. In the future, our testing, or the subsequent testing by our independent registered public accounting firm, may reveal deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses. Our compliance with Section 404 will require that we incur substantial accounting expense and expend significant management efforts. Moreover, if we are not able to comply with the requirements of Section 404 in a timely manner, or if we or our independent registered public accounting firm identifies deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses, the market price of our stock could decline, and we could be subject to sanctions or investigations by the SEC or other regulatory authorities, which would require additional financial and management resources.

Uninsured Risks

We maintain insurance in amounts we consider adequate for personal injury and property damage to which the business of the Company may be subject. However, there can be no assurance that uninsured liabilities in excess of the coverage provided by insurance, which liabilities may be imposed pursuant to the Texas "Dram Shop" statute or similar "Dram Shop" statutes or common law theories of liability in other states where we operate or expand. For example, the Texas "Dram Shop" statute provides a person injured by an intoxicated person the right to recover damages from an establishment that wrongfully served alcoholic beverages to such person if it was apparent to the server that the individual being sold, served or provided with an alcoholic beverage was obviously intoxicated to the extent that he presented a clear danger to himself and others. An employer is not liable for the actions of its employee who over-serves if (i) the employer requires its employees to attend a seller training program approved by the TABC; (ii) the employee has actually attended such a training program; and (iii) the employer has not directly or indirectly encouraged the employee to violate the law. It is our policy to require that all servers of alcohol working at our clubs in Texas be certified as servers under a training program approved by the TABC, which certification gives statutory immunity to the sellers of alcohol from damage caused to third parties by those who have consumed alcoholic beverages at such establishment pursuant to the Texas Alcoholic Beverage Code. There can be no assurance, however, that uninsured liabilities may not arise in the markets in which we operate which could have a material adverse effect on the Company.

Limitations on Protection of Service Marks

Our rights to the trade names "Rick's", "Rick's Cabaret", "Tootsie's Cabaret", "Club Onyx", and "XTC Cabaret" are established under the common law based upon our substantial and continuous use of these trade names in interstate commerce since at least as early as 1987. "RICK'S AND STARS DESIGN" logo, "RICK'S CABARET", "CLUB ONYX", "XTC CABARET" and "EXOTIC DANCER" are registered through service mark registrations issued by the United States Patent and Trademark Office. We also own the rights to numerous trade names associated with our media division. There can be no assurance that these steps taken by the Company to protect its service marks will be adequate to deter misappropriation of its protected intellectual property rights. Litigation may be necessary in the future to protect our rights from infringement, which may be costly and time consuming. The loss of the intellectual property rights owned or claimed by us could have a material adverse affect on our business.

Anti-takeover Effects of Issuance of Preferred Stock

The Board of Directors has the authority to issue up to 1,000,000 shares of Preferred Stock in one or more series, to fix the number of shares constituting any such series, and to fix the rights and preferences of the shares constituting any series, without any further vote or action by the stockholders. The issuance of Preferred Stock by the Board of Directors could adversely affect the rights of the holders of common stock. For example, such issuance could result in a class of securities outstanding that would have preferences with respect to voting rights and dividends and in liquidation over the common stock, and could (upon conversion or otherwise) enjoy all of the rights appurtenant to common stock. The Board's authority to issue Preferred Stock could discourage potential takeover attempts and could delay or prevent a change in control of the Company through merger, tender offer, proxy contest or otherwise by making such attempts more difficult to achieve or more costly. There are no issued and outstanding shares of Preferred Stock; there are no agreements or understandings for the issuance of Preferred Stock, and the Board of Directors has no present intention to issue Preferred Stock.

We Do Not Anticipate Paying Dividends on Common Shares in the Foreseeable Future

Since our inception we have not paid any dividends on our common stock and we do not anticipate paying any dividends in the foreseeable future. We expect that future earnings, if any, will be used for working capital and to finance growth.

Future Sales of Our Common Stock May Depress Our Stock Price

The market price of our common stock could decline as a result of sales of substantial amounts of our common stock in the public market, or as a result of the perception that these sales could occur. In addition, these factors could make it more difficult for us to raise funds through future offerings of common stock.

Our Stock Price Has Been Volatile and May Fluctuate in the Future

The trading price of our securities may fluctuate significantly. This price may be influenced by many factors, including:

- our performance and prospects;
- the depth and liquidity of the market for our securities;
- sales by selling shareholders of shares issued or issuable in connection with certain convertible notes;
- investor perception of us and the industry in which we operate;
- changes in earnings estimates or buy/sell recommendations by analysts;
- general financial and other market conditions; and
- domestic economic conditions.

Public stock markets have experienced, and may experience, extreme price and trading volume volatility. These broad market fluctuations may adversely affect the market price of our securities.

Our Management Controls a Significant Percentage of Our Current Outstanding Common Stock and Their Interests May Conflict with Those of Our Shareholders

As of May 2, 2011, our Directors and executive officers and their respective affiliates collectively and beneficially owned approximately 15.7% of our outstanding common stock, including all options and warrants exercisable within 60 days. This concentration of voting control gives our Directors and executive officers and their respective affiliates substantial influence over any matters which require a shareholder vote, including, without limitation, the election of Directors, even if their interests may conflict with those of other shareholders. It could also have the effect of delaying or preventing a change in control of or otherwise discouraging a potential acquirer from attempting to obtain control of us. This could have a material adverse effect on the market price of our common stock or prevent our shareholders from realizing a premium over the then prevailing market prices for their shares of common stock.

We Are Dependent on Key Personnel

Our future success is dependent, in a large part, on retaining the services of Mr. Eric Langan, our President and Chief Executive Officer. Mr. Langan possesses a unique and comprehensive knowledge of our industry. While Mr. Langan has no present plans to leave or retire in the near future, his loss could have a negative effect on our operating, marketing and financial performance if we are unable to find an adequate replacement with similar knowledge and experience within our industry. We maintain key-man life insurance with respect to Mr. Langan. Although Mr. Langan is under an employment agreement (as described herein), there can be no assurance that Mr. Langan will continue to be employed by us. The loss of Mr. Langan could have a negative effect on our operating, marketing, and financing performance.

Cumulative Voting Is Not Available to Stockholders

Cumulative voting in the election of Directors is expressly denied in our Articles of Incorporation. Accordingly, the holder or holders of a majority of the outstanding shares of our common stock may elect all of our Directors. Management's large percentage ownership of our outstanding common stock helps enable them to maintain their positions as such and thus control of our business and affairs.

Our Directors and Officers Have Limited Liability and Have Rights to Indemnification

Our Articles of Incorporation and Bylaws provide, as permitted by governing Texas law, that our Directors and officers shall not be personally liable to us or any of our stockholders for monetary damages for breach of fiduciary duty as a Director or officer, with certain exceptions. The Articles further provide that we will indemnify our Directors and officers against expenses and liabilities they incur to defend, settle, or satisfy any civil litigation or criminal action brought against them on account of their being or having been its Directors or officers unless, in such action, they are adjudged to have acted with gross negligence or willful misconduct.

The inclusion of these provisions in the Articles may have the effect of reducing the likelihood of derivative litigation against Directors and officers, and may discourage or deter stockholders or management from bringing a lawsuit against Directors and officers for breach of their duty of care, even though such an action, if successful, might otherwise have benefited us and our stockholders.

The Articles provide for the indemnification of our officers and Directors, and the advancement to them of expenses in connection with any proceedings and claims, to the fullest extent permitted by Texas law. The Articles include related provisions meant to facilitate the indemnitee's receipt of such benefits. These provisions cover, among other things: (i) specification of the method of determining entitlement to indemnification and the selection of independent counsel that will in some cases make such determination, (ii) specification of certain time periods by which certain payments or determinations must be made and actions must be taken, and (iii) the establishment of certain presumptions in favor of an indemnitee.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers and controlling persons pursuant to the foregoing provisions, we have been advised that in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Other Risk Factors May Adversely Affect Our Financial Performance

Other risk factors that could cause our actual results to differ materially from those indicated in forward-looking statements by affecting, among many things, pricing, consumer spending and consumer confidence, include, without limitation, changes in economic conditions and financial and credit markets, credit availability, increased fuel costs and availability for our employees, customers and suppliers, health epidemics or pandemics or the prospects of these events (such as reports on avian flu), consumer perceptions of food safety, changes in consumer tastes and behaviors, governmental monetary policies, changes in demographic trends, terrorist acts, energy shortages and rolling blackouts, and weather (including, major hurricanes and regional snow storms) and other acts of God.

USE OF PROCEEDS

We are not selling any shares of our common stock in this offering and therefore will not receive any proceeds from the sale thereof. We will, however, receive proceeds from any options or warrants exercised, which are exercisable for cash. The selling security holders will pay any underwriting discounts and commissions and expenses incurred by the selling security holders for brokerage, accounting, tax or legal services or any other expenses incurred by the selling security holders in disposing of the shares. We will bear all other costs, fees and expenses incurred in effecting the registration of the shares covered by this prospectus, including, without limitation, all registration and filing fees, Nasdaq Global Market listing fees, blue sky registration and filing fees, and fees and expenses of our counsel and our accountants.

SELLING SECURITY HOLDERS

The following is a table of the selling security holders who currently own the June 2010 Warrants, the August 2009 Warrants and the July 2009 Options, as described above under "June 2010 and August 2009 Private Placements" and "July 2009 Stock Option Issuance." The shares of common stock being offered by the selling security holders are those issuable to the selling security holders upon exercise of the options and warrants. Beneficial ownership in the table below is determined in accordance with Rule 13d-3 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") promulgated by the SEC, and generally includes voting or investment power with respect to securities.

The shares of common stock being offered under this prospectus may be offered for sale from time to time during the period the registration statement of which this prospectus is a part remains effective, by or for the account of the selling security holders. After the date of effectiveness of the registration statement of which this prospectus is a part, a selling security holder may sell or transfer, in transactions covered by this prospectus or in transactions exempt from the registration requirements of the Securities Act, some or all of its common stock. At the time of the acquisition of the options and warrants, the selling security holders had no agreements, understandings or arrangements with any other persons, either directly or indirectly, to distribute any securities.

The following table sets forth information concerning the selling security holders, including the number of shares currently held and the number of shares offered by each selling security holder, to our knowledge as of May 2, 2011. The ownership percentages in the table are based on the 9,936,891 shares of common stock we had outstanding as of May 2, 2011. Shares of common stock subject to warrants, options and other convertible securities that are currently exercisable or exercisable within 60 days of May 2, 2011, are considered outstanding and beneficially owned by a selling security holder who holds those warrants, options or other convertible securities for the purpose of computing the percentage ownership of that selling security holder, but are not treated as outstanding for the purpose of computing the percentage ownership of any other selling security holder.

Selling Security Holders	Shares of Common Stock Beneficially Owned Prior to the	Number of Shares Being	Shares Beneficially Owned After the Offering	
	Offering	Offered	Number (1)	Percentage (%)
Burlingame Equity Investors, LP	497,840(2)	146,620(3)	351,220	3.5
Fairfield Investment Group, LLC	79,647(4)	21,184(5)	58,463	*
Guerrilla Partners, LP	121,627(6)	47,944(7)	73,683	*
Iroquois Master Fund Ltd.	409,895(8)	102,578(9)	307,317	3.1
Charles Kellogg	53,758(10)	9,756(11)	44,002	*
Kensington Partners, LP	56,046(12)	16,000(13)	40,046	*
Alan Bergstrom (14)	11,150(15)	10,000(16)	1,150	*
Steven L. Jenkins (17)	20,000(18)	10,000(19)	10,000	*
Eric Langan (20)	1,373,429(21)	5,000(22)	1,368,429	13.7
Luke Lirot (23)	20,000(24)	10,000(25)	10,000	*
Travis Reese (26)	56,335(27)	5,000(28)	51,335	*
Brenda Stanfield (29)	21,674(30)	10,000(31)	11,674	*
Robert L. Watters (32)	45,000(33)	10,000(34)	35,000	*

* Less than 1%

(1) Assumes all shares offered by the selling security holders are sold.

(2) Includes warrants to purchase up to 146,620 shares of common stock that are presently exercisable and a debenture that is presently convertible into up to 351,220 shares of common stock.

(3) Includes the common stock underlying warrants to purchase up to 146,620 shares of common stock that are presently exercisable.

(4) Includes 14,561 shares of common stock, warrants to purchase up to 21,184 shares of common stock that are presently exercisable and a debenture that is presently convertible into up to 43,902 shares of common stock.

(5) Includes the common stock underlying warrants to purchase up to 21,184 shares of common stock that are presently exercisable.

(6) Includes 12,220 shares of common stock, warrants to purchase up to 47,944 shares of common stock that are presently exercisable and a debenture that is presently convertible into up to 61,463 shares of common stock.

(7) Includes the common stock underlying warrants to purchase up to 47,944 shares of common stock that are presently exercisable.

- (8) Includes warrants to purchase up to 102,578 shares of common stock that are presently exercisable and a debenture that is presently convertible into up to 307,317 shares of common stock.
- (9) Includes the common stock underlying warrants to purchase up to 102,578 shares of common stock that are presently exercisable.
- (10) Includes 100 shares of common stock, warrants to purchase up to 9,756 shares of common stock that are presently exercisable and a debenture that is presently convertible into up to 43,902 shares of common stock.
- (11) Includes the common stock underlying warrants to purchase up to 9,756 shares of common stock that are presently exercisable.
- (12) Includes 40,046 shares of common stock and warrants to purchase up to 16,000 shares of common stock that are presently exercisable.
- (13) Includes the common stock underlying warrants to purchase up to 16,000 shares of common stock that are presently exercisable.
- (14) Mr. Bergstrom was a Director from 1999 until September 2010.
- (15) Includes 1,150 shares of common stock and options to purchase up to 10,000 shares of common stock that are presently exercisable.
- (16) Includes the common stock underlying options to purchase up to 10,000 shares of common stock that are presently exercisable.
- (17) Mr. Jenkins has been a Director since June 2001.
- (18) Includes options to purchase up to 20,000 shares of common stock that are presently exercisable.
- (19) Includes the common stock underlying options to purchase up to 10,000 shares of common stock that are presently exercisable.
- (20) Mr. Langan has been a Director since 1998 and our President since March 1999.
- (21) Mr. Langan has sole voting and investment power for 629,797 shares of common stock he owns directly. Mr. Langan has shared voting and investment power for 578,632 shares that he owns indirectly through E. S. Langan, L.P. Mr. Langan is the general partner of E. S. Langan, L.P. This amount also includes options to purchase up to 165,000 shares of common stock that are presently exercisable.
- (22) Includes the common stock underlying options to purchase up to 5,000 shares of common stock that are presently exercisable.
- (23) Mr. Lirot has been a Director since July 2007.
- (24) Includes options to purchase up to 20,000 shares of common stock that are presently exercisable.
- (25) Includes the common stock underlying options to purchase up to 10,000 shares of common stock that are presently exercisable.
- (26) Mr. Reese became a Director and our V.P.-Director of Technology in 1999.
- (27) Includes 21,335 shares of common stock he owns directly and options to purchase up to 35,000 shares of common stock that are presently exercisable.
- (28) Includes the common stock underlying options to purchase up to 5,000 shares of common stock that are presently exercisable.
- (29) Ms. Stanfield has been our General Counsel since December 2007.
- (30) Includes 1,674 shares of common stock and options to purchase up to 20,000 shares of common stock that are presently exercisable.
- (31) Includes the common stock underlying options to purchase up to 10,000 shares of common stock that are presently exercisable.
- (32) Mr. Watters has been a Director since inception.
- (33) Includes 15,000 shares of common stock he owns directly and options to purchase up to 30,000 shares of common stock that are presently exercisable.
- (34) Includes the common stock underlying options to purchase up to 10,000 shares of common stock that are presently exercisable.

PLAN OF DISTRIBUTION

We have not been advised by the selling security holders as to any plan of distribution. Upon exercise of the options and warrants into shares of common stock, such shares of common stock owned by the selling security holders, or by their partners, pledgees, donees (including charitable organizations), transferees or other successors in interest, may from time to time be offered for sale either directly by such individual, or through underwriters, dealers or agents or on any exchange on which the shares may from time to time be traded, in the over-the-counter market, or in independently negotiated transactions or otherwise. The methods by which the shares may be sold include:

- a block trade (which may involve crosses) in which the broker or dealer so engaged will attempt to sell the securities as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker or dealer as principal and resale by such broker or dealer for its own account pursuant to this prospectus;
- exchange distributions and/or secondary distributions;
- sales in the over-the-counter market;
- underwritten transactions;
- ordinary brokerage transactions and transactions in which the broker solicits purchasers; and
- privately negotiated transactions.

Such transactions may be effected by the selling security holders at market prices prevailing at the time of sale or at negotiated prices. The selling security holders may effect such transactions by selling the common stock to underwriters or to or through broker-dealers, and such underwriters or broker-dealers may receive compensations in the form of discounts or commissions from the selling security holders and may receive commissions from the purchasers of the common stock for whom they may act as agent. The selling security holders may agree to indemnify any underwriter, broker-dealer or agent that participates in transactions involving sales of the shares against certain liabilities, including liabilities arising under the Securities Act. We have agreed to register the shares for sale under the Securities Act and to indemnify the selling security holders, certain representatives of the selling security holders and each person who participates as an underwriter in the offering of the shares against certain civil liabilities, including certain liabilities under the Securities Act. We are required to pay certain fees and expenses incurred by us incident to the registration of the shares.

In connection with sales of the common stock under this prospectus, upon effectiveness of the registration statement, the selling security holders may enter into hedging transactions with broker-dealers, who may in turn engage in short sales of the common stock in the course of hedging the positions they assume. Upon effectiveness of the registration statement, the selling security holders also may sell shares of common stock short and deliver them to close out the short positions, or loan or pledge the shares of common stock to broker-dealers that in turn may sell them.

Because selling security holders may be deemed to be statutory “underwriters” within the meaning of the Securities Act, they will be subject to the prospectus delivery requirements of the Securities Act. The selling security holders are subject to the applicable provisions of the Securities Act, and the rules and regulations thereunder which may restrict certain activities of, and limit the timing of purchases and sales of securities by, selling security holders and other persons participating in a distribution of securities.

The selling security holders may also sell shares under Rule 144 of the Securities Act, if available, rather than under this prospectus. There is no underwriter or coordinating broker acting in connection with the proposed sale of the shares by the selling security holders.

The selling security holders and any underwriters, dealers or agents that participate in distribution of the shares may be deemed to be underwriters, and any profit on sale of the shares by them and any discounts, commissions or concessions received by any underwriter, dealer or agent may be deemed to be underwriting discounts and commissions under the Securities Act. The selling security holders do not expect these commissions and discounts to exceed what is customary in the types of transactions involved.

Under applicable rules and regulations under the Exchange Act, any person engaged in the distribution of the shares may not simultaneously engage in market making activities with respect to the common stock for the applicable restricted period, as defined in Regulation M, prior to the commencement of the distribution. In addition, the selling security holders will be subject to applicable provisions of the Exchange Act and the rules and regulations thereunder, including Regulation M, which may limit the timing of purchases and sales of shares of the common stock by the Selling security holders or any other person. We will make copies of this prospectus available to the selling security holders and have informed them of the need to deliver a copy of this prospectus to each purchaser at or prior to the time of the sale (including by compliance with Rule 172 under the Securities Act).

We agreed to keep this prospectus effective until the earlier of (i) the date when all the shares registered hereby have been sold and (ii) the date when the shares registered hereby may be sold without any restriction pursuant to Rule 144 as determined by the counsel to the Company; provided, however, we will not keep this prospectus effective past the date the July 2009 Options, the June 2010 Warrants and August 2009 Warrants expire, if such options and warrants are never exercised. There can be no assurances that the selling security holders will sell any or all of the shares offered under this prospectus.

DESCRIPTION OF SECURITIES TO BE REGISTERED

The following is a description of certain provisions relating to our capital stock. For additional information regarding our stock, please refer to our Articles of Incorporation and Bylaws which have previously been filed with the SEC.

General

Our authorized capital stock consists of 21,000,000 shares of which there are 20,000,000 shares of common stock, par value \$.01 per share, and 1,000,000 shares of preferred stock, par value \$.10 per share.

Common Stock

As of May 2, 2011, there were 9,936,891 shares of common stock outstanding. We are registering 404,082 shares of our common stock, in aggregate, which are issuable upon the exercise of the June 2010 Warrants and the August 2010 Warrants. The rights of all holders of the common stock are identical in all respects. The holders of the common stock are entitled to receive ratably such dividends, if any, as may be declared by the Board of Directors out of legally available funds. The current policy of the Board of Directors, however, is to retain earnings, if any, for reinvestment.

Upon liquidation, dissolution or winding up of the Company, the holders of the common stock are entitled to share ratably in all aspects of the Company that are legally available for distribution, after payment of or provision for all debts and liabilities.

The holders of the common stock do not have preemptive subscription, redemption or conversion rights under our Articles of Incorporation. Cumulative voting in the election of Directors is not permitted. The outstanding shares of common stock are validly issued, fully paid and nonassessable. The rights, preferences and privileges of holders of common stock will be subject to, and may be adversely affected by, the rights of holders of shares of any series of preferred stock that are presently outstanding or that may be designated and issued by us in the future.

E X P E R T S

The consolidated financial statements incorporated in this prospectus by reference from Rick's Cabaret International, Inc.'s Annual Report on Form 10-K for the year ended September 30, 2010 have been audited by Whitley Penn LLP, independent registered public accounting firm, as stated in their reports included in such consolidated financial statements and on the Company's internal control over financial reporting, and have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

LEGAL MATTERS

The validity of the issuance of the common stock offered under this prospectus has been passed upon for us by Axelrod, Smith & Kirshbaum, P.C., Houston, Texas.

MATERIAL CHANGES

There have been no material changes in the Registrant's affairs since the end of the last fiscal year.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The SEC allows us to "incorporate by reference" the information we file with the SEC, which means that we can disclose important information to you by referring to those documents. The information incorporated by reference is an important part of this prospectus. The information that we file later with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings made with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until this offering is completed:

- our Annual Report on Form 10-K for the year ended September 30, 2010;
- our Quarterly Reports on Form 10-Q for the quarters ended December 31, 2010 and March 31, 2011; and
- our Current Reports on (i) Forms 8-K filed December 15, 2010; January 6, 2011; February 4, 2011; March 24, 2011; April 13, 2011; and April 26, 2011.

You may request and we will provide a copy of these filings, at no cost, by writing to or telephoning us at the address below. However, we will not provide copies of the exhibits to these filings unless we specifically incorporated by reference the exhibits in this prospectus.

Eric Langan, CEO/President
Rick's Cabaret International, Inc.
10959 Cutten Road
Houston, Texas 77066
281-397-6730

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-3 under the Securities Act, and the rules and regulations promulgated thereunder, with respect to the common stock offered hereby. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement and the exhibits thereto. Statements contained in this prospectus as to the contents of any contract or other document that is filed as an exhibit to the registration statement are not necessarily complete and each such statement is qualified in all respects by reference to the full text of such contract or document. For further information with respect to us and the common stock, reference is hereby made to the registration statement and the exhibits thereto, which may be inspected and copied at the SEC's Public Reference Room located at 100 F Street, N.E., Washington, D.C. 20549, and copies of all or any part thereof may be obtained at prescribed rates from the Commission at such addresses. Also, the SEC maintains a World Wide Web site on the Internet at <http://www.sec.gov> that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. Additional information can also be obtained through our website at www.Ricks.com. We also make available free of charge our annual, quarterly and current reports, proxy statements and other information upon request. To request such materials, please contact Mr. Eric Langan, our President and Chief Executive Officer, at 10959 Cutten Road, Houston, Texas 77066.

COMMISSION POSITION ON INDEMNIFICATION FOR SECURITIES ACT LIABILITIES

Our Articles of Incorporation provide that we shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding by reason of the fact that he is or was our director, officer employee or agent against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement, actually and reasonably incurred by him in connection with such action, suit or proceeding, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to our best interests, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful.

These provisions require us to indemnify our directors and officers unless restricted by Texas law and eliminate our rights and those of our stockholders to recover monetary damages from a director for breach of his fiduciary duty of care as a director except in certain situations. The indemnification provisions summarized above, however, do not affect our ability or that of our stockholders to seek non-monetary remedies, such as an injunction or rescission, against a director for breach of his fiduciary duty.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers and controlling persons pursuant to the foregoing provisions, we have been advised that in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

PART II – INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution.

The following table sets forth estimated expenses expected to be incurred in connection with the issuance and distribution of the securities being registered. All such expenses will be paid by us.

Securities and Exchange Commission Registration Fee	\$ 488.37
Printing and Engraving Expenses	-0-
Accounting Fees and Expenses	\$ 5,000.00
Legal Fees and Expenses	\$ 10,000.00
Blue Sky Qualification Fees and Expenses	-0-
Miscellaneous	\$ 1,000.00
TOTAL	\$ 16,488.37

Item 15. Indemnification of Directors and Officers.

Our officers and directors are indemnified as provided by the Texas Business Organizations Code (the "TBOC") (which superseded the Texas Business Corporation Act) and the Articles of Incorporation of the Company. The TBOC provides for mandatory indemnification of reasonable expenses a current or former officer or director incurred in connection with a proceeding in which the person is a respondent because the person is or was an officer or director if the person is wholly successful, on the merits or otherwise, in the defense of the proceeding. The TBOC also provides that a current or former officer or director may be granted indemnification by a court if, on application of such person, the court determines that the person is fairly and reasonably entitled to indemnification in view of all the relevant circumstances.

Additionally, our Articles of Incorporation provide that a director shall not be personally liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to us or our stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law, or for which the person, is found liable to us, (iii) under Article 2.41 of the Texas Business Corporation Act, or (iv) for any transaction from which the director derived an improper personal benefit, whether or not the benefit resulted from an action taken in the person's official capacity.

Our Articles of Incorporation also provide that we shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of us) by reason of the fact that he is or was a director, officer employee or agent of the corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement, actually and reasonably incurred by him in connection with such action, suit or proceeding, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to our best interests, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. Further, we are obligated to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of us to procure a judgment in our favor by reason, of the fact that he is or was our director, officer, employee or agent, or is or was serving at our request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to our best interests and except that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable to us unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnify for such expenses which such court shall deem proper.

Further, our Articles of Incorporation provide that we have the power to purchase and maintain insurance on behalf of any director, officer, employee or agent against any liability asserted against him and incurred by him in any such related capacity, or arising out of his status as such, whether or not we would have the power to indemnify him against such liability under the provisions of our Articles of Incorporation.

Item 16. Exhibits.

The following is a list of exhibits filed as part of this registration statement. Where so indicated by footnote, exhibits which were previously filed are incorporated herein by reference. Any statement contained in an Incorporated Document shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein or in any other subsequently filed Incorporated Document modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

Exhibit Number	Description
4.1	Warrant Agreement (form of) (June 2010) ¹
4.2	Warrant Agreement (form of) (August 2009) ²
4.3	Option Agreement (form of) (July 2009) ³
5.1	Legal Opinion of Axelrod, Smith & Kirshbaum, P.C. ³
23.1	Consent of Whitley Penn LLP, Independent Registered Public Accounting Firm ³
23.2	Consent of Axelrod, Smith & Kirshbaum, P.C. (incorporated in Exhibit 5.1) ³
1	Previously filed as Exhibit 10.2 to our Form 8-K filed on June 28, 2010, and incorporated herein by reference.
2	Previously filed as Exhibit 10.2 to our Form 8-K filed on August 11, 2009, and incorporated herein by reference.
3	Filed herewith.

Item 17. Undertakings.

(1) The Company hereby undertakes:

(a) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(b) To remove from registration by means of post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(c) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the Company's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in this registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 13th day of May, 2011.

RICK'S CABARET INTERNATIONAL, INC.

By /s/ Eric Langan

Eric Langan

President, Principal and Chief Executive Officer

POWER OF ATTORNEY

Rick's Cabaret International, Inc. and each of the undersigned do hereby appoint Eric Langan his true and lawful attorney to execute on behalf of Rick's Cabaret International, Inc. and the undersigned any and all amendments to this Registration Statement on Form S-3 and to file the same with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission; each of such persons shall have the power to act hereunder with or without the other.

In accordance with the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates stated.

Signature	Title	Date
<u>/s/ Eric S. Langan</u> Eric S. Langan	Director, Chief Executive Officer, and President	May 13, 2011
<u>/s/ Phillip K. Marshall</u> Phillip K. Marshall	Chief Financial Officer and Principal Accounting Officer	May 12, 2011
<u>/s/ Travis Reese</u> Travis Reese	Director and V.P.-Director of Technology	May 13, 2011
<u>/s/ Robert L. Watters</u> Robert L. Watters	Director	May 12, 2011
<u>/s/ Nour-Dean Anakar</u> Nour-Dean Anakar	Director	May 11, 2011
<u>/s/ Steven Jenkins</u> Steven Jenkins	Director	May 11, 2011
<u>/s/ Luke Lirot</u> Luke Lirot	Director	May 12, 2011

FORM OF

**RICK'S CABARET INTERNATIONAL, INC.
STOCK OPTION AGREEMENT**

Date of Grant: **July 22, 2009**

THIS GRANT, dated as of the date of grant first stated above (the "Date of Grant"), is delivered by Rick's Cabaret International, Inc. (the "Company") to _____ (the "Grantee"), who is an employee, officer or director of the Company or one of its subsidiaries (the Company is sometimes referred to herein as the "Employer").

WHEREAS, the Board of Directors of the Company (the "Board") on July 22, 2009 granted to Grantee the right to purchase shares of the Common Stock of the Company, par value \$0.01 per share (the "Stock"), in accordance with the terms and provisions hereof.

NOW, THEREFORE, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Grant of Option .

Subject to the terms and conditions hereinafter set forth, the Company, with the approval and at the direction of the Board, hereby grants to the Grantee, as of the Date of Grant, an option to purchase up to _____ shares of Stock at a price of **\$8.75** per share. Such option is hereinafter referred to as the "Option" and the shares of stock purchasable upon exercise of the Option are hereinafter sometimes referred to as the "Option Shares."

2. Vesting .

This Option shall vest as to 100% of the total number of shares covered by the Option twelve-months after the Date of Grant.

3. Termination of Option .

- (a) The Option and all rights hereunder with respect thereto, to the extent such rights shall not have been exercised, shall terminate and become null and void on the sooner of (i) the termination of the Grantee as an employee, officer or director of the Company or (ii) after the expiration of two (2) years from the Date of Grant (the "Option Term"). Notwithstanding the forgoing, any Option which has vested at the time of termination of the Grantee as an employee, officer or director of the Company shall expire two (2) years from the Date of Grant.
 - (b) In the event of the death of the Grantee, the Option may be exercised by the Grantee's legal representative(s), but only to the extent that the Option would otherwise have been exercisable by the Grantee.
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- (c) if the Board finds by a majority vote after full consideration of the facts that a Grantee, before or after termination of his employment with the Company or an Affiliate for any reason (i) committed or engaged in fraud, embezzlement, theft, commission of a felony, or proven dishonesty in the course of his employment by the Company or any subsidiary or affiliate of the Company, which conduct damaged the Company or subsidiary or affiliate, or disclosed trade secrets of the Company its subsidiary or its affiliate, or (ii) participated, engaged in or had a material, financial or other interest, whether as an employee, officer, director, consultant, contractor, shareholder, owner, or otherwise, in any commercial endeavor anywhere which is competitive with the business of the Company or a subsidiary or Affiliate without the written consent of the Company, the Grantee shall forfeit all outstanding Options. Clause (ii) shall not be deemed to have been violated solely by reason of the Grantee's ownership of stock or securities of any publicly owned corporation, if that ownership does not result in effective control of the corporation.

The decision of the Board as to the cause of an Employee's discharge, the damage done to the Company or a subsidiary or an affiliate, and the extent of any Grantee's competitive activity shall be final. No decision of the Board, however, shall affect the finality of the discharge of the Employee by the Company.

4. **Exercise of Options .**

- (a) The Grantee may exercise the Option with respect to all or any part of the number of Option Shares then exercisable hereunder by giving the Secretary of the Company written notice of intent to exercise. The notice of exercise shall specify the number of Option Shares as to which the Option is to be exercised and the date of exercise thereof, which date shall be at least five days after the giving of such notice unless an earlier time shall have been mutually agreed upon. Notwithstanding the foregoing, an Option granted under this Agreement may be exercised in increments of not less than 10% of the full number of Shares as to which it can be exercised. A partial exercise of an Option will not affect the Grantee's right to exercise the Option from time to time in accordance with this Agreement as to the remaining Shares subject to the Option.
- (b) Full payment (in U.S. dollars) by the Grantee of the option price for the Option Shares purchased shall be made on or before the exercise date specified in the notice of exercise in cash, or certified or cashier's check or money order, or, with the prior written consent of the Board, in whole or in part through the surrender of previously acquired shares of Stock at their fair market value on the exercise date.

On the exercise date specified in the Grantee's notice or as soon thereafter as is practicable, but not to exceed ten (10) business days, the Company shall cause to be delivered to the Grantee, a certificate or certificates for the Option Shares then being purchased (out of theretofore unissued Stock or reacquired Stock, as the Company may elect) upon full payment for such Option Shares.

- (c) If the Grantee fails to pay for any of the Option Shares specified in such notice, the Grantee's right to purchase such Option Shares may be terminated by the Company. The date specified in the Grantee's notice as the date of exercise shall be deemed the date of exercise of the Option, provided that payment in full for the Option Shares to be purchased upon such exercise shall have been received by such date.
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5. **Adjustment of and Changes in Stock of the Company .**

In the event of a reorganization, recapitalization, change of shares, stock split, spin-off, stock dividend, reclassification, subdivision or combination of shares, merger, consolidation, rights offering, or any other change in the corporate structure or shares of capital stock of the Company, the Board shall make such adjustment in the number and kind of shares of Stock subject to the Option or in the option price; provided, however, that no such adjustment shall give the Grantee any additional benefits under the Option.

6. **Fair Market Value .**

As used herein, the "fair market value" of a share of Stock shall be the closing price per share of Stock on the NASDAQ, composite tape or other recognized market source, as determined by the Board, on the applicable date of reference hereunder, or if there is no sale on such date, then the closing price on the last previous day on which a sale is reported.

7. **No Rights of Stockholders .**

Neither the Grantee nor any personal representative shall be, or shall have any of the rights and privileges of, a stockholder of the Company with respect to any shares of Stock purchasable or issuable upon the exercise of the Option, in whole or in part, prior to the date of exercise of the Option.

8. **Non-Transferability of Option .**

During the Grantee's lifetime, the Option hereunder shall be exercisable only by the Grantee or any guardian or legal representative of the Grantee, and the Option shall not be transferable except, (i) in case of the death of the Grantee, by will or the laws of descent and distribution, and (ii) to a child, grandchild or stepchild of the Grantee or to a trust or partnership created by the Grantee, who, in each case, will be subject to all of the provisions hereof, nor shall the Option be subject to attachment, execution or other similar process. In the event of (a) any attempt by the Grantee to alienate, assign, pledge, hypothecate or otherwise dispose of the Option, except as provided for herein, or (b) the levy of any attachment, execution or similar process upon the rights or interest hereby conferred, the Company may terminate the Option by notice to the Grantee and it shall thereupon become null and void and of no value to any such party.

9. **Notice .**

Any notice to the Company provided for in this instrument shall be addressed to it in care of its Secretary at its executive offices at Rick's Cabaret International, Inc., and any notice to the Grantee shall be addressed to the Grantee at the current address shown on the records of the Company. Any notice shall be deemed to be duly given if and when properly addressed and posted by registered or certified mail, postage prepaid.

10. **Governing Law .**

The validity, construction, interpretation and effect of this instrument shall exclusively be governed by and determined in accordance with the law of the State of Texas, except to the extent preempted by federal law, which shall to the extent govern.

IN WITNESS WHEREOF, the Company has caused its duly authorized officer to execute this Stock Option Agreement effective as of the Date of Grant.

RICK’S CABARET INTERNATIONAL, INC.

By: _____
Title: _____

Axelrod, Smith & Kirshbaum, P.C.

ATTORNEYS AT LAW
5300 Memorial Drive, Suite 700
Houston, Texas 77007-8292
Telephone (713) 861-1996

Robert D. Axelrod, P.C.

Facsimile (713) 552-0202

May 11, 2011

Rick's Cabaret International, Inc.
10959 Cutten Road
Houston, Texas 77066

RE: RICK'S CABARET INTERNATIONAL, INC.
FORM S-3 REGISTRATION STATEMENT

Gentlemen:

As counsel for Rick's Cabaret International, Inc., a Texas corporation (the "Company"), you have requested our firm to render this opinion in connection with the registration statement of the Company on Form S-3 ("Registration Statement") under the Securities Act of 1933, as amended (the "Act"), filed with the Securities and Exchange Commission (as referenced above) relating to the resale of an aggregate of 404,082 shares of common stock, par value \$.01 per share (the "Common Stock") to be registered which are underlying warrants and options currently held by certain security holders of the Company.

We have examined the originals, photocopies, certified copies or other evidence of such records of the Company, certificates of officers of the Company and public officials, and other documents as we have deemed relevant and necessary as a basis for the opinion hereinafter expressed. In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as certified copies or photocopies and the authenticity of the originals of such latter documents.

Based on our examination mentioned above, we are of the opinion that the shares of Common Stock to be issued pursuant to the outstanding warrants and options are validly authorized and, when issued in accordance with their terms and when sold, will be validly issued, fully paid and non-assessable.

We hereby consent to the filing of this opinion as Exhibit 5.1 to the Registration Statement and to the reference made to this firm in the Registration Statement under the heading "Legal Matters."

Very truly yours,

/s/ Axelrod, Smith & Kirshbaum

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the reference to our firm under the caption “Experts” in this Registration Statement on Form S-3 and related Prospectus of Rick’s Cabaret International, Inc. for the registration of 404,082 shares of their common stock and to the incorporation by reference therein of our reports dated December 14, 2010 with respect to the consolidated financial statements and the effectiveness of internal control over financial reporting of Rick’s Cabaret International, Inc., included in its Annual Report on Form 10-K for the fiscal year ended September 30, 2010, filed with the Securities and Exchange Commission.

/s/ Whitley Penn LLP

Dallas, Texas

May 12, 2011
