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CHANTEE WILLIAMS, et al. : COURT OF COMMON PLEAS

FOR PHILADELPHIA COUNTY

Plaintiffs, :

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AUGUST TERM, 2018

VS.

NO. 180802541

RCI HOSPITALITY HOLDINGS, INC. et al.

:

Defendants.

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CLASS COUNSEL'S MOTION PURSUANT TO Pa.R.C.P. 1714 TO DISCONTINUE THIS CLASS ACTION

Class Counsel move this Court to dismiss this Class Action pursuant to Pa.R.C.P.

1714. In support of this Motion, Class Counsel aver:

- 1. Members of the Plaintiff Class are entertainers who worked as dancers at a nightclub in Philadelphia known as Club Onyx which was operated by The End Zone, Inc. ("TEZ").
- 2. TEZ is a Pennsylvania corporation which is part of a conglomerate owned by RCI Hospitality Holdings, Inc. ("RCI"). RCI is a publicly traded Texas corporation which indirectly owns approximately 50 nightclubs throughout the United States.
 - 3. In or about May 2018, RCI closed Club Onyx.

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- 4. On August 24, 2018, Plaintiffs filed a lawsuit against TEZ and RCI alleging that they were employees and defendants failed to pay them wages in accordance with the Pennsylvania Minimum Wage Act of 1968, 43 P.S. § 333.101 *et seq.*, and the Pennsylvania Wage Payment and Collection Law, 43 P.S. § 260.1 *et seq.*
- 5. In their Answers, defendants denied liability contending that the entertainers worked at Club Onyx as independent contractors, not employees.
- 6. By Order dated August 18, 2013, this Court granted Plaintiffs' Motion to certify a Class of "all persons who worked as entertainers at Club Onyx, Philadelphia at any time from August 24, 2015 to the time the Club closed in 2018." Class notice was mailed to approximately 500 Class members.
 - 7. Class Counsel conducted discovery as to both defendants.
- 8. In 2024, defendant RCI moved for partial summary judgment on the ground that it had no liability for payment of wages to entertainers at Club Onyx. The Class vigorously opposed the motion.
- 9. By Order dated December 19, 2014, this Court granted RCI's motion finding there was insufficient evidence that RCI and TEZ were part of an integrated enterprise, and dismissed RCI as a defendant.
 - 10. Defendant TEZ, through its counsel, has asserted that it has no assets.
- 11. Class Counsel attempted at various times to settle this action, including through Court mediation, but were unsuccessful.
- 12. Class Counsel believe that the Class can prevail in a trial on the merits against defendant TEZ and obtain a judgment for damages. However, that judgment would be uncollectible. Class Counsel further believe that it is unlikely an appeal of the Order of

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December 19, 2024 would be successful. Therefore, it is Class Counsel's opinion that

discontinuance of this Class action will not prejudice the Class members.

13. In accordance with Pa.R.C.P. 1714 and the decision in *Silver Spring Twp. V.*

Pennsy Supply, Inc., 149 Pa. Commw. 314, 321, 613 A.2d 108, 111 (1992), this Court is

required to hold a hearing to determine whether a discontinuance of this Class action will

prejudice the Class members. See also Garner v. Chrysler Fin. Corp., 2000 Phila. Ct. Com.

Pl. Lexis 63.

14. Class Counsel notified the five (5) Class representatives in writing of their

opinion and requested their consent thereto. Two of the representatives consented but a

third representative was opposed. The remaining two have not responded.

15. Class Counsel propose mailing notice to Class members notifying them of

this motion and the hearing date to afford them an opportunity to oppose discontinuance of

this Class action.

16. Class counsel have advanced all costs of this action during its seven year

pendency and have received no compensation for their very substantial efforts.

WHEREFORE, Class Counsel request that this Court enter an Order in the form

attached hereto directing Class Counsel to give notice of this motion to all Class members,

and schedule a date and time for a hearing on the motion.

Dated: May 7, 2025

Respectfully submitted,

/s/ Alice W. Ballard

/s/ Robert A. Swift

Class Counsel for the Plaintiff Class

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