

FILED DISTRICT COURT
Third Judicial District

JUN 24 2008

By W SALT LAKE COUNTY
Deputy Clerk

E. NEAL GUNNARSON, Bar No. 1273
Assistant Attorney General
MARK L. SHURTLEFF, Bar No. 4666
Utah Attorney General
5272 South College Drive, #200
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IN THE THIRD JUDICIAL DISTRICT COURT IN AND FOR
SALT LAKE COUNTY, STATE OF UTAH

THE STATE OF UTAH, :
 :
Plaintiff, : **CRIMINAL INFORMATION**
 :
vs. :
 :
RICHARD CLARK JOHNSON, III : Case No. 081904764
DOB: March 7, 1978 :
 : Judge _____
Defendant. :

The undersigned, ANGELA R. KINSER, upon oath, states on information and belief that the defendant has committed the following crimes:

SECURITIES FRAUD, a second degree felony, 1 count

THEFT, a second degree felony, 1 count

COUNT 1
SECURITIES FRAUD
a second degree felony

Commencing on or about November 2007, in the State of Utah, County of Salt Lake, the defendant, in connection with the offer

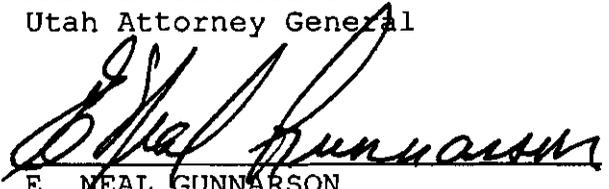
This CRIMINAL INFORMATION is based upon evidence from the following witnesses:

1. Richard Clark Johnson, III
2. And others.

AUTHORIZED FOR PRESENTMENT AND FILING this 17 day of June, 2008.

MARK L. SHURTLEFF
Utah Attorney General

By:


E. NEAL GUNNARSON
Assistant Attorney General

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IN THE THIRD JUDICIAL DISTRICT COURT IN AND FOR
SALT LAKE COUNTY, STATE OF UTAH

THE STATE OF UTAH, :
 :
 Plaintiff, : **AFFIDAVIT OF PROBABLE CAUSE**
 :
 vs. :
 :
 RICHARD CLARK JOHNSON, III : Case No: 081904764
 DOB: March 7, 1978 :
 :
 Defendant. : Judge: _____

STATE OF UTAH)
 :ss
 COUNTY OF SALT LAKE)

I, ANGELA R. KINSER, being first duly sworn upon oath, depose and state as follows:

1. I am a licensed attorney who has been employed as a full time securities compliance investigator with the Utah Division of Securities since September 2004. Prior to that time I worked for the Kentucky Office of Financial Institutions, Division of Securities. I am

currently investigating possible violations of securities fraud statutes and related criminal code violations by RICHARD CLARK JOHNSON, III.

2. The facts set forth in this affidavit are based upon the results of an investigation during which I have collected and reviewed records from the victim and other sources.

PARTIES

3. RICHARD CLARK JOHNSON, III, at all pertinent times, resided in Utah, and his last known address is 3347 E. Kennekuk Circle, Eagle Mountain, Utah 84005.
4. Fourth Dimension Financial Group registered as a dba with the Utah Division of Corporations on September 20, 2007. JOHNSON is listed as an Applicant and as the Registered Agent. Justin Pehrson is listed as Applicant. Fourth Dimension Financial Group's status is active as of June 9, 2008.

BACKGROUND

5. Second and Third District Court documents show JOHNSON has been involved in civil legal proceedings between 2000 and 2007, and in excess of \$4,700 in judgments were entered against JOHNSON. JOHNSON failed to disclose this information to the investor.
6. JOHNSON filed for chapter 7 bankruptcy in June 2007, and JOHNSON has in excess of \$15,000 unsecured claims against him. JOHNSON failed to disclose this information to the investor.

7. JOHNSON failed to provide to the investor any item normally disclosed within a prospectus.

COUNT 1
SECURITIES FRAUD, a second degree felony
(Richard Clark Johnson, III)

8. During November through December 2007, JOHNSON offered Kris Kirkham the opportunity to invest in hard money lending deals. JOHNSON represented to Kirkham that JOHNSON would make between 5-7% on the deals and that Kirkham would make 3-4% interest on his investment in the hard money lending deals. In return for the investment, JOHNSON provided Kirkham with a promissory note. A promissory note is a security as defined by Utah Code Annotated §61-1-13.
9. Prior to Kirkham's investment, JOHNSON told Kirkham that JOHNSON had a client who needed \$30,000 to remodel some real estate property the client owned. JOHNSON told Kirkham that the loan to the client would be for 120 days and would be secured by a first lien on the property. JOHNSON told Kirkham that JOHNSON was investing \$15,000 -\$20,000 of his own funds in the deal.
10. JOHNSON told Kirkham that he would issue Kirkham a 12 month promissory note for his investment plus 36% interest per annum. The interest would be paid on the tenth of each month with the balance due at the end of 12 months. JOHNSON told Kirkham that after the 120 day hard money loan was repaid to him, JOHNSON would invest Kirkham's

funds in another hard money lending deal for the remaining 240 days of the promissory note term. On or about December 11, 2007, JOHNSON sent Kirkham by e-mail a \$20,000 promissory note.

11. Based on JOHNSON'S representations, Kirkham invested by wiring \$20,000 to JOHNSON'S US Bank account on or about December 14, 2007. Kirkham said he only authorized JOHNSON to use the funds for the hard money lending deals he and JOHNSON had discussed.
12. Prior to the investment, JOHNSON failed to provide Kirkham with any disclosure documents. JOHNSON also failed to disclose the information in paragraphs 5 and 6 to Kirkham.
13. After investing, Kirkham received from JOHNSON one monthly interest payment of \$607.
14. On or about December 31, 2007, Kirkham sent an e-mail to JOHNSON requesting the return of Kirkham's \$20,000. Other than one interest payment (\$607), Kirkham has been unsuccessful in getting back his \$20,000 in principal from JOHNSON.

COUNT 2
THEFT, a second degree felony
(Richard Clark Johnson, III)

15. JOHNSON'S US Bank bank account records reveal that JOHNSON used Kirkham's funds for JOHNSON'S expenses and cash withdrawals. Kirkham only authorized his

funds to be used for hard money lending deals with JOHNSON'S clients. Kirkham did not authorize JOHNSON to use investment funds for any other purpose.

16. JOHNSON obtained money from Kirkham and exercised unauthorized control of the money with the purpose to deprive him thereof.

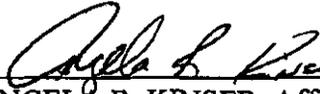
SUMMARY

17. Based on my review of the evidence there is probable cause to believe that JOHNSON committed the crimes of:

SECURITIES FRAUD
a second degree felony, 1 count

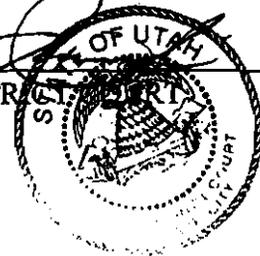
THEFT
a second degree felony, 1 count

DATED this 24 day of June, 2008.


ANGELA R. KINSER, Affiant

SUBSCRIBED AND SWORN before me this
24 day of June,
2008.


JUDGE, THIRD DISTRICT



FILED DISTRICT COURT
Third Judicial District

JUN 24 2008

By XN SALT LAKE COUNTY
Deputy Clerk

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IN THE THIRD JUDICIAL DISTRICT COURT IN AND FOR
SALT LAKE COUNTY, STATE OF UTAH

THE STATE OF UTAH, : Bail \$ 10,000^e
Plaintiff, :
vs. : **WARRANT OF ARREST**
RICHARD CLARK JOHNSON, III : Case No. 081904764
DOB: March 7, 1978 : Judge _____
Defendant. :

THE STATE OF UTAH TO ANY PEACE OFFICER IN THE STATE OF UTAH,
G R E E T I N G S:

An Information, upon oath, having been this day made before me by Investigator Angela R. Kinser, and it appearing from the Information, or affidavit filed with the Information, that there is probable cause to believe that the public offense of: **Securities Fraud, a second degree felony, 1 count; and Theft, a second degree felony, 1 count,** has been committed, and that the

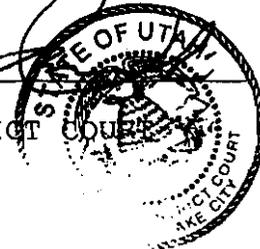
defendant, RICHARD CLARK JOHNSON, III, has committed these offenses,

YOU ARE THEREFORE COMMANDED to arrest the above named defendant forthwith and bring the defendant before this court, or before the nearest or most accessible magistrate for setting bail. If the defendant has fled justice, you shall pursue the defendant into any other county of this state and there arrest the defendant. The offenses listed above are felonies.

Bail is set in the amount of \$ 10,000⁰⁰.

DATED this 24 day of June, 2008.


HONORABLE,
JUDGE, THIRD DISTRICT COURT



Defendant's Address:

3347 E. Kennekuk Circle
Eagle Mountain, UT 84005