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FILED

SEP 27 2016
BUREAU OF REAL ESTATE
By AR Delois

BEFORE THE BUREAU OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of)	No. H-04819 SD
)	
THREE FROGS, INC., doing business as)	
Three Frogs and Three Frogs Real Estate,)	<u>SECOND AMENDED</u>
and JOHN BENJAMIN MURPHY,)	<u>ACCUSATION</u>
individually and as designated officer of)	
THREE FROGS, INC.,)	
)	
Respondents.)	
)	

This Accusation amends the First Amended Accusation filed on
September 1, 2016. The Complainant, Veronica Kilpatrick, a Supervising Special Investigator
of the State of California, for cause of Accusation against THREE FROGS, INC., doing
business as Three Frogs and Three Frogs Real Estate, and JOHN BENJAMIN MURPHY,
individually and as designated officer of THREE FROGS, INC., ("Respondents"), is informed
and alleges as follows:

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1. 1

2 The Complainant, Veronica Kilpatrick, acting in her official capacity as a
3 Supervising Special Investigator of the State of California, makes this Accusation against
4 THREE FROGS, INC. and JOHN BENJAMIN MURPHY.

2. 5

6 Respondent THREE FROGS, INC. ("THREE FROGS"), presently has license
7 rights under the Real Estate Law, Part 1 of Division 4 of the California Business and
8 Professions Code ("Code"), as a corporate real estate broker.

3. 9

10 Respondent JOHN BENJAMIN MURPHY ("MURPHY") presently has license
11 rights under the Real Estate Law as a real estate broker. MURPHY is the designated officer of
12 THREE FROGS.

13 FIRST CAUSE OF ACTION

14 (CRIMINAL CONVICTIONS)

4. 15

16 On or about March 26, 2015, Respondents MURPHY and THREE FROGS pled
17 guilty and were convicted in the Superior Court of California, County of San Diego, Case
18 No. SCD255289, for violation of California Unemployment Insurance Code Section 2117.5
19 (Acting With Intent To Evade Tax), a misdemeanor, and Labor Code Section 3700.5(a) (Failure
20 To Secure The Payment Of Compensation), a misdemeanor.

21 Respondent MURPHY was placed on three years of summary probation, and
22 ordered to serve one day in jail and pay restitution, fines and fees. Additionally, Respondent
23 MURPHY was ordered to complete 14 days of the Public Service Program.

24 Respondent THREE FROGS was placed on three years of summary probation,
25 and ordered to pay restitution, fines and fees.

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1 5.

2 The convictions described in Paragraph 4 bear a substantial relationship under
3 Section 2910, Title 10, Chapter 6, California Code of Regulations to the qualifications,
4 functions or duties of a real estate licensee.

5 6.

6 The crimes of which Respondents MURPHY and THREE FROGS were
7 convicted, as described in Paragraph 4 above, constitute cause under Sections 490 and 10177(b)
8 of the Code for the suspension or revocation of all the licenses and license rights of
9 Respondents MURPHY and THREE FROGS under the Real Estate Law.

10 SECOND CAUSE OF ACTION

11 (FAILURE TO SUPERVISE)

12 7.

13 The conduct, acts, or omissions of Respondent MURPHY, as alleged above, is
14 in violation of Code Section 10159.2, and subjects all his real estate licenses and license rights
15 to suspension or revocation pursuant to Code Sections 10177(d), 10177(g) and/or 10177(h).

16 8.

17 Code Section 10106 provides, in pertinent part, that in any order issued in
18 resolution of a disciplinary proceeding before the Bureau of Real Estate, the Commissioner may
19 request the administrative law judge to direct a licensee found to have committed a violation of
20 this part to pay a sum not to exceed the reasonable costs of the investigation and enforcement of
21 the case.

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1 WHEREFORE, Complainant prays that a hearing be conducted on the
2 allegations of this Accusation and that upon proof thereof, a decision be rendered imposing
3 disciplinary action against all the licenses and license rights of Respondents JOHN BENJAMIN
4 MURPHY and THREE FROGS, INC. under the Real Estate Law, for the cost of investigation
5 and enforcement as permitted by law, and for such other and further relief as may be proper
6 under other applicable provisions of law.

7
8 Dated at San Diego, California

9 this 23rd day of September, 2016

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11 
12 Veronica Kilpatrick
13 Supervising Special Investigator

14 cc: JOHN BENJAMIN MURPHY
15 THREE FROGS, INC.
16 Veronica Kilpatrick
17 Sacto.
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