



DEPARTMENT OF DEFENSE
DEFENSE LEGAL SERVICES AGENCY
DEFENSE OFFICE OF HEARINGS AND APPEALS
APPEAL BOARD
POST OFFICE BOX 3656
ARLINGTON, VIRGINIA 22203
(703) 696-4759

Date: June 24, 2025

In the matter of:

Applicant for Security Clearance

ISCR Case No. 24-00198

APPEAL BOARD DECISION

APPEARANCES

FOR GOVERNMENT

Andrea M. Corrales, Esq., Deputy Chief Department Counsel

FOR APPLICANT

Samir Nakhleh, Esq.

The Department of Defense (DoD) declined to grant Applicant a security clearance. On March 7, 2024, DoD issued a Statement of Reasons (SOR) advising Applicant of the basis of that decision – security concerns raised under Guideline F (Financial Considerations) of the National Security Adjudicative Guidelines (AG) in Appendix A of Security Executive Agent Directive 4 (effective June 8, 2017) and DoD Directive 5220.6 (Jan. 2, 1992, as amended) (Directive). On May 13, 2025, Defense Office of Hearings and Appeals Administrative Judge Edward W. Loughran denied Applicant national security eligibility. Applicant appealed pursuant to Directive ¶¶ E3.1.28 and E3.1.30.

Discussion

The SOR alleged 12 delinquent debts totaling about \$36,000. The Judge found favorably for Applicant on seven of the alleged debts and adversely on five. In her appeal brief, Applicant does not challenge any of the Judge’s specific findings of fact. Rather, she contends that the Judge erred in his mitigation analysis. Through Counsel, Applicant argues that the Judge did not give appropriate weight to “a series of extraordinary and compounding hardships,” which included the loss of

her job, the financial dependency of her family members, her mother's death due to COVID-19, "burdensome expenses in attempting to extricate herself from a timeshare contract," and the requirement that she pay \$85,000 in restitution stemming from "a prior legal matter." Appeal Brief at 5.

None of Applicant's arguments are sufficient to rebut the presumption that the Judge considered all the evidence in the record. Indeed, our review of the decision confirms that the Judge explicitly considered each factor to which Applicant's Counsel alludes. For example, the Judge highlighted that the restitution payment of \$85,000 for "a prior legal matter" was actually for non-alleged financial crimes; he noted that "[i]t is difficult to imagine that Applicant would have been in the same dire straits if she had access to that money." Decision at 8. Moreover, the Judge characterized Applicant's purchase of the timeshare in June 2024—after receiving and responding to the SOR—as a "bad decision" that resulted in additional and unnecessary expenses. *Id.* at 9. In summary, the Judge considered all of the factors to which Applicant's Counsel alludes, but he weighed them differently. Applicant's disagreement with the Judge's weighing of the evidence is insufficient to establish the Judge weighed the evidence in a manner that was arbitrary, capricious, or contrary to law. Directive ¶ E3.132.3.

Applicant has not established that the Judge committed harmful error. The record reflects that the Judge examined the relevant evidence and articulated a satisfactory explanation for the decision, which is sustainable on this record. "The general standard is that a clearance may be granted only when 'clearly consistent with the interests of the national security.'" *Dept. of Navy v. Egan*, 484 U.S. 518, 528 (1988). "Any doubt concerning personnel being considered for national security eligibility will be resolved in favor of the national security." AG ¶ 2(b).

Order

The decision in ISCR Case No. 24-00198 is **AFFIRMED**.

Signed: Moira Modzelewski

Moira Modzelewski
Administrative Judge
Chair, Appeal Board

Signed: Allison Marie

Allison Marie
Administrative Judge
Member, Appeal Board

Signed: Jennifer I. Goldstein

Jennifer I. Goldstein
Administrative Judge
Member, Appeal Board