



**DEPARTMENT OF DEFENSE  
DEFENSE OFFICE OF HEARINGS AND APPEALS**



In the matter of:	)	
	)	
REDACTED	)	ISCR Case No. 21-00548
	)	
Applicant for Security Clearance	)	

**Appearances**

For Government: Carroll J. Connelley, Esq., Department Counsel  
For Applicant: *Pro se*

06/30/2022

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**Decision**

\_\_\_\_\_

MATCHINSKI, Elizabeth M., Administrative Judge:

Applicant became seriously delinquent on several consumer-credit accounts incurred for a failed business. While her financial problems were largely caused by factors outside of her control, she has done little to resolve them. Clearance eligibility is denied.

**Statement of the Case**

On June 11, 2021, the Defense Counterintelligence and Security Agency Consolidated Adjudications Facility (DCSA CAF) issued a Statement of Reasons (SOR) to Applicant, detailing security concerns under Guideline F, financial considerations. The SOR explained why the DCSA CAF was unable to find it clearly consistent with the national interest to grant or continue security clearance eligibility for her. The DCSA CAF took the action under Executive Order (EO) 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended; Department of Defense (DOD) Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended (Directive); and the *National Security Adjudicative Guidelines for Determining Eligibility for Access to Classified Information or Eligibility to Hold a Sensitive Position* (AG) effective within the DOD on June 8, 2017.

On June 18, 2021, Applicant answered the SOR allegations and requested a decision on the written record without a hearing. She subsequently requested a hearing before an administrative judge from the Defense Office of Hearings and Appeals (DOHA). On November 8, 2021, a DOHA Department Counsel indicated that the Government was ready to proceed to a hearing. On November 29, 2021, the case was assigned to me to determine whether it is clearly consistent with the interests of national security to grant or continue a security clearance for Applicant. I received the case file and assignment on December 2, 2021.

Scheduling the hearing was delayed due to the COVID-19 pandemic and workload considerations. After some coordination with the parties, on May 12, 2022, I scheduled a hearing for June 6, 2022. At the hearing, six Government exhibits (GEs 1-6) were admitted into the record without objection. Applicant and her spouse testified, as reflected in a hearing transcript (Tr.) received by DOHA on June 23, 2022.

### **Findings of Fact**

The SOR alleges that, as of June 11, 2021, Applicant owed two judgment debts of \$45,778 (SOR ¶ 1.a) and \$3,189 (SOR ¶ 1.b); five collection debts totaling \$33,264 (SOR ¶¶ 1.c-1.e and 1.g-1.h); and two charged-off debts totaling \$5,060 (SOR ¶¶ 1.f and 1.i). When Applicant answered the SOR, she admitted all the debts without explanation. I accept and incorporate as factual findings that Applicant was indebted on the accounts. After considering the pleadings, exhibits, and transcript, I make the following additional findings of fact.

Applicant is a 54-year-old high school graduate who has worked as an administrative aide for a defense contractor since August 2020. (GE 1; Tr. 31-32, 40.) She initially worked in a secure area but was moved when the SOR was issued. (Tr. 32-33.) She does not need a security clearance in her current position. (Tr. 33.)

Applicant was married to her first husband for less than two years in the mid-1990s. She and her current husband married in September 1997. They have a 21-year-old son and a 23-year-old daughter. (GE 1.)

When their children were young, Applicant's husband had a very successful commercial real estate appraisal company in her hometown in state A, and they were able to save money. Around 2006, they moved to state B, and he continued to operate his business long distance. Following the real estate crash in state A, they moved back to state A, but stayed only nine months because their children disliked it so much. Applicant's spouse closed his business, and they returned to State B. (Tr. 55-56.) They used all of their retirement assets, \$161,000, to purchase and open a coffee house and tea room in May 2010. (Tr. 24, 62.) Applicant operated the business year-round, although it was busier in the summers. She had four or five part-time employees year-round and 15 part-time employees in the summers. (Tr. 25.)

The coffee shop did well for the first four years, but business began to suffer after a competing shop opened nearby. (Tr. 24.) Applicant and her spouse paid for business supplies and other bills, except payroll, using Applicant's personal credit-card accounts. (Tr. 51.) In January 2015, they opened a second coffee shop. (Tr. 57.) Applicant's spouse got a job at \$55,000 a year where he could work at their new coffee shop while also working for his new employer. (Tr. 57.) Their primary location never regained its initial popularity. Applicant and her spouse adjusted spending by closing the shops during the winter months when customer traffic was low, but they struggled to pay expenses. In the summer of 2016, another competitor opened, which led to a further decline in customers. By the time they closed the business in November 2016, Applicant was seriously in debt on several credit-card accounts. (GEs 1-6; Tr. 26, 49.) They now realize that they should have closed the business six months earlier than they did. (Tr. 26.) Their vendor bills exceeded the business income. (Tr. 48.) They considered but ruled out a bankruptcy filing because they did not want to jeopardize their children's ability to obtain federal student loans. (Tr. 58.)

Applicant worked in retail from November 2016 until April 2017, when the store location where she worked closed due to decreased revenues. She then worked at a call center from May 2017 to August 2020, booking hotel reservations on commission and being paid a small hourly wage. (GE 6; Tr. 50.) She earned more in commission during the summers, about \$6,000 in commissions. (Tr. 50.) Her spouse started over in the banking industry around that time. (Tr. 50.)

On May 5, 2020, Applicant completed, and certified as accurate, a Questionnaire for National Security Positions (SF 86). In response to an SF 86 financial record inquiry into any delinquency involving enforcement, Applicant seriously underreported that she owed only an estimated \$50 on the credit-card account in SOR ¶ 1.a. She explained that she and her spouse took on debt for two coffee shops that they had to close due to market conditions and new competition, and that while they had taken out debt "under the name of the company," they did not realize that they were personally liable for the debts incurred for the business. She added, "no court is involved. I am not sure I even have a judgment against me." She listed two accounts (SOR ¶¶ 1.a and 1.b) in response to SF 86 inquiries into any delinquency involving routine accounts, but indicated that she owed only \$50 on each account. She gave as the reason for the financial issue that she and her spouse could not file for bankruptcy as it would affect their children's chances of obtaining student loans for college. Applicant reported no other debts on her SF 86. (GE 1.)

Court records reflect that, as of January 2017, Applicant owed \$45,777 on the credit-card account in SOR ¶ 1.a. When asked about the discrepancy between the \$50 balance reported on her SF 86 and the actual balance, Applicant testified that she thought she owed less. (Tr. 37.) In May 2017, the creditor for the debt in SOR ¶ 1.a obtained a default judgment against her for \$46,217. The account had been opened in the name of her coffee shop with Applicant named as a cardholder. The card was intended to be used for the company's commercial or business purposes. Under the terms of the agreement, Applicant was jointly and severally liable to repay the charges incurred on the account. In early June 2017, the court issued notice to Applicant of the default judgment and that she

was required to pay \$35 per week to the creditor with the first payment due on July 3, 2017. Applicant paid \$3,900 before defaulting on her payments. In June 2019, the creditor filed to levy against Applicant's bank assets for the \$42,422 balance. (GE 5.)

In late April 2018, the creditor for the debt in SOR ¶ 1.b filed for a small claims judgment against Applicant in the amount of \$3,188. In late August 2018, the court granted a default judgment for \$3,290. Applicant was ordered to repay the judgment at \$35 per week beginning on September 18, 2018. (GE 5.)

The delinquency histories for the debts in the SOR, as reflected on one or more of the credit reports in evidence from June 2020 (GE 2), February 2021 (GE 3), and July 2021(GE 4), are reflected in the following table.

<b>Debt alleged in SOR</b>	<b>Delinquency history</b>	<b>Payment Status</b>
\$45,778 judgment debt (SOR ¶ 1.a)	Credit card obtained for business Mar. 2015; first delinquent Aug. 2016; \$45,777 charged-off balance as of Mar. 2017; default judgment for \$46,217 May 2017 (GEs 2-5); chose not to appear in court because lacked the funds to pay the debt. (Tr. 68.)	Attempted to settle debt before creditor sought a judgment (Tr. 34); paid \$3,900 before defaulting on judgment payments; \$42,422 default balance as of Jul. 2019; \$41,877 balance as of June 2021 (GEs 3, 5.); no payments toward \$41,877 balance. (Tr. 36.)
\$3,189 judgment debt (SOR ¶ 1.b)	Personal credit card obtained Apr. 2010; \$3,188 charged off Jan. 2017; default judgment for \$3,290 Aug. 2018. (GEs 2-5); chose not to appear in court because lacked the funds to pay the debt. (Tr. 68.)	No attempt to settle with creditor (Tr. 38); no payments on judgment debt as of June 2022.
\$12,944 credit-card debt in collection (SOR ¶ 1.c)	Credit-card account opened Jan. 2017; \$12,944 placed for collection Sep. 2018.(GEs 2-4.)	No payments as of June 2022.
\$8,982 collection debt (SOR ¶ 1.d)	Retail credit-card account opened Feb. 2017; \$8,982 placed for collection Oct. 2017. (GEs 2-4.)	No payments as of June 2022.
\$8,839 collection debt (SOR ¶ 1.e)	Retail credit-card account first delinquent Mar. 2017; \$8,839 placed for collection Sep. 2017. (GEs 2-4.)	No payments as of June 2022.

\$4,741 charged-off debt (SOR ¶ 1.f)	Credit-card account opened Mar. 2007; first delinquent Mar. 2017; \$4,741 charged off June 2017. (GEs 2-4.)	No payments as of June 2022.
\$1,377 collection debt (SOR ¶ 1.g)	Credit-card account first delinquent Jan. 2017; \$1,412 placed for collection May 2018; \$1,377 balance as of Feb. 2021. (GEs 2-4.)	Reduction in balance suggests some payments prior to Feb. 2021; no payments since then.
\$1,122 collection debt (SOR ¶ 1.h)	Credit-card account opened May 2013; first delinquent June 2017; \$1,122 placed for collection Dec. 2017. (GEs 2-4.)	No payments as of June 2022.
\$319 charged-off debt (SOR ¶ 1.i)	Personal retail credit-card account opened Mar. 2007; first delinquent Mar. 2017; \$319 charged off June 2017. (GEs 2-4.)	No payments as of June 2022.

On July 6, 2020, Applicant was interviewed by an authorized investigator for the Office of Personnel Management (OPM). She explained that when she and her spouse made the difficult decision to close their coffee shops, they offered to make payments to her creditors, but each wanted \$300 monthly payments, which they could not afford so they made no payments. She acknowledged that she had received notice of the two court judgments (SOR ¶¶ 1.a and 1.b), and explained that she did not know the account balances when she completed her SF 86. Her credit report was then reviewed. She did not dispute the reported delinquencies, which she asserted had been used in operating the business. When confronted with the \$319 retail credit-card debt (SOR ¶ 1.i), Applicant stated that she had an account with the creditor, but she did not realize it was in collections. She indicated that she would look into the debt and pay it. She related that she did not want the debts to adversely affect her security clearance eligibility or her ability to obtain employment with the defense contractor, so she would contact her creditors and begin making payments of approximately \$50 on each account. (GE 6.)

Sometime in 2020, after her OPM interview, Applicant and her spouse looked into repaying the debts incurred for their failed business through a debt-repayment plan with a debt-relief company, but they could not afford the \$1,400 monthly payment required under the plan, so they did not start the process. (Tr. 28, 43-44.)

Applicant began working for her defense-contractor employer in August 2020. In September 2020, she finished paying off a \$34,901 car loan obtained in May 2015. She had no delinquent debts on her credit report apart from the SOR accounts. (GE 3.)

Between 2017 and 2022, Applicant and her spouse obtained about \$185,000 in Parent Plus student loans for their children's educations. (Tr. 27, 34, 45.) Their daughter

graduated from college in May 2021, and their son is a senior in college. (Tr. 45.) In late December 2020 or early January 2021, Applicant's spouse purchased the home that they had been renting for seven years. The purchase price for the home and amount of the initial mortgage loan are not in evidence. In January 2022, he refinanced the mortgage, which is in his name only, taking on a new loan for \$420,000. The monthly mortgage payment is about \$3,597. (Tr. 59-61.) He used the equity in their home to pay off all of the Parents Plus loans taken out for their daughter's education; some of their son's student loans; a vehicle lease; and a car loan for an older, 2015 model-year Jeep. (Tr. 29-30, 59-61.) As to why they did not use some of the equity to make payments on the SOR debts, Applicant responded, "I was just hoping it would just go away." (Tr. 36.)

At her hearing, Applicant exhibited little knowledge of the details of her and her spouse's financial affairs. Her spouse handles their household finances. (Tr. 30, 42.) His annual salary is \$120,000. (Tr. 62.) Applicant currently earns almost \$25 an hour and takes home \$688 per week. (Tr. 40.) Since January 2021, they have had about \$500 a month in discretionary household income after paying their expenses. (Tr. 64-65.) Applicant still receives collection notices from some of the SOR creditors, which she and her spouse ignore. (Tr. 66-67.) As to why they did not use some of their monthly discretionary income to pay off her old debts, Applicant's spouse testified, "I see those very old debts as something that will eventually go away." (Tr. 65.) Applicant has \$11,000 and her spouse has \$25,000 in their respective 401(k) accounts. (Tr. 62.) He has a side business in commercial real estate, and, over the past year, he obtained two economic industry disaster loans for \$3,000 to \$4,000. He still has most of that money in a bank account. (Tr. 63.) He was not asked about, and did not volunteer any details about, his income from his side business.

## **Policies**

The U.S. Supreme Court has recognized the substantial discretion the Executive Branch has in regulating access to information pertaining to national security, emphasizing that "no one has a 'right' to a security clearance." *Department of the Navy v. Egan*, 484 U.S. 518, 528 (1988). When evaluating an applicant's suitability for a security clearance, the administrative judge must consider the adjudicative guidelines. In addition to brief introductory explanations for each guideline, the adjudicative guidelines list potentially disqualifying conditions and mitigating conditions, which are required to be considered in evaluating an applicant's eligibility for access to classified information. These guidelines are not inflexible rules of law. Instead, recognizing the complexities of human behavior, these guidelines are applied in conjunction with the factors listed in the adjudicative process. The administrative judge's overall adjudicative goal is a fair, impartial, and commonsense decision. According to AG ¶ 2(a), the entire process is a conscientious scrutiny of a number of variables known as the "whole-person concept." The administrative judge must consider all available, reliable information about the person, past and present, favorable and unfavorable, in making a decision.

The protection of the national security is the paramount consideration. AG ¶ 2(b) requires that "[a]ny doubt concerning personnel being considered for national security

eligibility will be resolved in favor of the national security.” In reaching this decision, I have drawn only those conclusions that are reasonable, logical, and based on the evidence contained in the record. Under Directive ¶ E3.1.14, the Government must present evidence to establish controverted facts alleged in the SOR. Under Directive ¶ E3.1.15, the applicant is responsible for presenting “witnesses and other evidence to rebut, explain, extenuate, or mitigate facts admitted by applicant or proven by Department Counsel. . . .” The applicant has the ultimate burden of persuasion to obtain a favorable security decision.

A person who seeks access to classified information enters into a fiduciary relationship with the Government predicated upon trust and confidence. This relationship transcends normal duty hours and endures throughout off-duty hours. The Government reposes a high degree of trust and confidence in individuals to whom it grants access to classified information. Decisions include, by necessity, consideration of the possible risk that the applicant may deliberately or inadvertently fail to safeguard classified information. Such decisions entail a certain degree of legally permissible extrapolation about potential, rather than actual, risk of compromise of classified information. Section 7 of EO 10865 provides that decisions shall be “in terms of the national interest and shall in no sense be a determination as to the loyalty of the applicant concerned.” See *also* EO 12968, Section 3.1(b) (listing multiple prerequisites for access to classified or sensitive information).

## **Analysis**

### **Guideline F: Financial Considerations**

The security concerns about financial considerations are articulated in AG ¶ 18:

Failure to live within one’s means, satisfy debts, and meet financial obligations may indicate poor self-control, lack of judgment, or unwillingness to abide by rules and regulations, all of which can raise questions about an individual’s reliability, trustworthiness, and ability to protect classified or sensitive information. Financial distress can also be caused or exacerbated by, and thus can be a possible indicator of, other issues of personnel security concern such as excessive gambling, mental health conditions, substance misuse, or alcohol abuse or dependence. An individual who is financially overextended is at greater risk of having to engage in illegal or otherwise questionable acts to generate funds. . .

The Appeal Board explained the scope and rationale for the financial considerations security concern in ISCR Case No. 11-05365 at 3 (App. Bd. May 1, 2012) (citation omitted) as follows:

This concern is broader than the possibility that an applicant might knowingly compromise classified information in order to raise money in satisfaction of his or her debts. Rather, it requires a Judge to examine the totality of an applicant’s financial history and circumstances. The Judge must consider pertinent evidence regarding the applicant’s self-control, judgment, and other

qualities essential to protecting the national secrets as well as the vulnerabilities inherent in the circumstances. The Directive presumes a nexus between proven conduct under any of the Guidelines and an applicant's security eligibility.

Guideline F security concerns are established when an individual does not pay financial obligations according to terms. Applicant defaulted on more than \$87,000 in credit debt. While most of the debt was incurred for the operation of her and her spouse's failed coffee shop business, the \$319 debt in SOR ¶ 1.i was on Applicant's personal credit-card account with a retailer. Disqualifying conditions AG ¶¶ 19(a), "inability to satisfy debts," and 19(c), "a history of not meeting financial obligations," apply.

AG ¶ 19(b), "unwillingness to satisfy debts regardless of the ability to do so," warrants some discussion. After her March 2020 OPM interview, Applicant looked into consolidating her delinquent debts through a debt-repayment plan, but she did not follow through because she could not afford to make the \$1,400 monthly payments that apparently would have been required at the time. However, AG ¶ 19(b) applies to her more recent and ongoing disregard of her debt-repayment obligations. She has continued to receive, and ignore, debt-collection notices from her creditors. She admitted at her hearing that she hoped the delinquent debts incurred for her and her spouse's business "would just go away."

Applicant bears the burden of mitigating the negative implications for her financial judgment raised by the delinquent debts. Application of the aforesaid disqualifying conditions triggers consideration of the potentially mitigating conditions under AG ¶ 20. The following may apply in whole or in part:

- (a) the behavior happened so long ago, was so infrequent, or occurred under such circumstances that it is unlikely to recur and does not cast doubt on the individual's current reliability, trustworthiness, or good judgment;
- (b) the conditions that resulted in the financial problem were largely beyond the person's control (e.g., loss of employment, a business downturn, unexpected medical emergency, a death, divorce or separation, clear victimization by predatory lending practices, or identity theft), and the individual acted responsibly under the circumstances;
- (c) the individual has received or is receiving financial counseling for the problem from a legitimate and credible source, such as a non-profit credit counseling service, and there are clear indications that the problem is being resolved or is under control; and
- (d) the individual initiated and is adhering to a good-faith effort to repay overdue creditors or otherwise resolve debts.



The SOR accounts were charged off or placed for collection between 2017 and 2018. While the debts were not incurred recently, an applicant's ongoing, unpaid debts evidence a continuing course of conduct and are considered recent. See, e.g., ISCR 17-03146 at 2 (App. Bd. Jul. 31, 2018), citing, e.g., ISCR Case No. 15-08779 at 3 (App. Bd. Nov. 3, 2017). AG ¶ 20(a) cannot reasonably apply, even though the business circumstances that led her to incur the debt may not recur.

The business downturn Applicant and her spouse experienced in 2015 and 2016, caused in part by unforeseen competition, is a mitigating condition that triggers AG ¶ 20(b). Even so, Applicant exercised questionable financial judgment in some aspects with regard to the business. She and her spouse used all of their retirement money to open the business. When she opened the credit-card account in SOR ¶ 1.a, she agreed to be jointly and severally liable for all of the charges incurred on the account. She used her personal credit cards to pay vendors. She and her spouse opened a second coffee shop in 2015, which meant more expenses for their business. They kept the business open for at least six months longer than they should have.

These questionable business decisions aside, for full mitigation under AG ¶ 20(b), Applicant is required to have acted responsibly under her circumstances. A component of financially responsible behavior is whether Applicant took timely steps to work with her creditors toward resolving or settling her financial issues, and evidence in that regard is limited. She looked into a debt-repayment plan that she did not pursue. Her ongoing disregard of the SOR debts is inconsistent with the good judgment that must be expected of persons granted security clearance eligibility.

Neither AG ¶ 20(c) nor AG ¶ 20(d) has been satisfied. None of the SOR debts have been resolved. Applicant listed only two past-due accounts when she completed her SF 86. She inexplicably indicated on her SF 86 that she owed \$50 on the account in SOR ¶ 1.a when a judgment had been awarded for \$46,217. She did not dispute the debt balances listed on her credit report when confronted during her OPM interview, and stated that she would contact her creditors and start making \$50 payments on each account. Court records show that she paid about \$3,900 toward the judgment debt in SOR ¶ 1.a before defaulting on her court-ordered payments. The latest credit report in the record shows a \$41,877 balance on the debt. The account in SOR ¶ 1.g, which was placed for collection for \$1,412, had a balance of \$1,377 as of February 2021, so she may well have made a few payments on that debt after it was assigned for collection. However, no progress has been shown on that debt or on the other SOR accounts since the SOR was issued.

The Appeal Board has held that the security clearance adjudication is not a proceeding aimed at collecting an applicant's personal debts. Rather, it is a proceeding aimed at evaluating an applicant's judgment, reliability, and trustworthiness with regard to his or her fitness or suitability to handle classified information appropriately. See ISCR Case No. 09-02160 (App. Bd. June 21, 2010). The Appeal Board has also held that an applicant must demonstrate "a plan for debt payment, accompanied by concomitant conduct, that is, conduct that evidences a serious intent to resolve the debts." See ADP Case No. 17-00263 at 4 (App. Bd. Dec. 19, 2018), citing, e.g., ISCR Case No. 16-03889 at

5 (App. Bd. Aug. 9, 2018). While this can be read as requiring debt repayment for mitigation, it is consistent with the Appeal Board position in ISCR Case No. 09-02160 in that a person who ignores legitimate financial obligations without reasonable justification does not display the good judgment, reliability, and trustworthiness required of person's entrusted with the nation's sensitive information.

Applicant exhibited some financial naiveté, such as not realizing that she was personally liable for the debts incurred for her business. Her spouse continues to handle their household finances. Even so, while it may be common for one spouse to handle all of the bills in a household, Applicant remains largely ignorant of her financial situation at peril to her security clearance eligibility. She and her spouse chose to not file for bankruptcy, not because she wanted to take responsibility for her debts, but because they did not want to jeopardize their children's eligibilities for student loans. Her spouse refinanced the mortgage on their home in January 2022, taking on a loan for \$420,000, but they used the equity to pay off student loans and a car instead of making payments on the SOR debts. Applicant's burden in mitigation is not met by financial decisions made in self-interest while two court judgments and other delinquent debts go unpaid. The financial considerations security concerns are not mitigated.

### **Whole-Person Concept**

In assessing the whole person, the administrative judge must consider the totality of Applicant's conduct and all relevant circumstances in light of the nine adjudicative process factors in AG ¶ 2(d). Those factors are:

(1) the nature, extent, and seriousness of the conduct; (2) the circumstances surrounding the conduct, to include knowledgeable participation; (3) the frequency and recency of the conduct; (4) the individual's age and maturity at the time of the conduct; (5) the extent to which participation is voluntary; (6) the presence or absence of rehabilitation and other permanent behavioral changes; (7) the motivation for the conduct; (8) the potential for pressure, coercion, exploitation, or duress; and (9) the likelihood of continuation or recurrence.

The analysis under Guideline F is incorporated in my whole-person analysis. Some of the factors in AG ¶ 2(d) were addressed under that guideline, but some warrant additional comment.

Applicant asks that her security clearance not be jeopardized by financial decisions made for a coffee shop and tea room business that was negatively impacted by factors outside of her control. She knowingly accepted the risk that her and her spouse's business would not be profitable. That being said, the salient concern in the security-clearance context is whether Applicant acted reasonably and exercised sound judgment in fulfilling financial obligations that she knowingly took on. After carefully considering and weighing the financial considerations security concerns, I find that Applicant has not demonstrated that she can be counted on to timely rectify her financial delinquencies. She has prioritized

paying off financial obligations that were not delinquent while ignoring more than \$80,000 in delinquent balances in the hope that they will someday no longer adversely affect her credit. It is well settled that once a concern arises regarding an applicant's security clearance eligibility, there is strong presumption against the grant or renewal of a security clearance. See *Dorfmont v. Brown*, 913 F. 2d 1399, 1401 (9<sup>th</sup> Cir. 1990). Based on the evidence of record, it is not clearly consistent with the interests of national security to grant or continue security clearance eligibility for Applicant at this time.

### **Formal Findings**

Formal findings for or against Applicant on the allegations set forth in the SOR, as required by section E3.1.25 of Enclosure 3 of the Directive, are:

Paragraph 1, Guideline F:	AGAINST APPLICANT
Subparagraphs 1.a-1.i.:	Against Applicant

### **Conclusion**

In light of all of the circumstances, it is not clearly consistent with the interests of national security to grant or continue Applicant's eligibility for a security clearance. Eligibility for access to classified information is denied.

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Elizabeth M. Matchinski  
Administrative Judge