



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



In the matter of:)	
)	
)	ISCR Case No. 21-00383
)	
Applicant for Security Clearance)	

Appearances

For Government: Jenny G. Bayer, Esq., Department Counsel
For Applicant: Carl Marrone, Esq.

09/25/2023

Decision

HALE, Charles C., Administrative Judge:

This case involves security concerns raised under Guideline F (Financial Considerations). Eligibility for access to classified information is denied.

Statement of the Case

Applicant submitted a security clearance application (SCA) on April 16, 2019. On December 12, 2021, the Department of Defense (DoD) sent him a Statement of Reasons (SOR) alleging security concerns under Guideline F. The DoD acted under Executive Order (Exec. Or.) 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended; DoD Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended (Directive); and the adjudicative guidelines (AG) implemented by the and the adjudicative guidelines (AG) promulgated in Security Executive Agent Directive 4, *National Security Adjudicative Guidelines* (December 10, 2016).

Applicant answered the SOR on March 31, 2022, and requested a hearing before an administrative judge. Department Counsel was ready to proceed on June 27, 2022. The case was assigned to me on March 8, 2023. On March 29, 2023, the Defense Office of Hearings and Appeals (DOHA) notified Applicant that the hearing was scheduled to be

conducted by video teleconference on May 24, 2023. I convened the hearing as scheduled. The Government withdrew SOR ¶ 1.b and amended SOR ¶ 1.c. Applicant did not object. Government Exhibits (GE) 1 through 7 were admitted in evidence without objection. Applicant and one other witness testified. He submitted Applicant Exhibits (AE) A through I, which were admitted without objection. I kept the record open until June 7, 2023, to enable the parties to submit additional documentary evidence. At the request of Applicant's counsel, I extended the time without objection from the Government. In three submissions, Applicant submitted AE J through AE P; AE Q through AE R, and AE S through AE V, which were admitted without objection. DOHA received the transcript (Tr.) electronically on May 15, 2023. The record closed on June 14, 2023.

Findings of Fact

In Applicant's answer to the SOR, he admitted SOR ¶ 1.a and denied the remaining allegations, SOR ¶¶ 1.b-1.h, with explanations. His admissions are incorporated in my findings of fact.

Applicant is a 53-year-old employee of a defense contractor. He served honorably in the U.S. Army for 13 years. After leaving active duty he continued to work as a communications contractor with U.S. military forces overseas in various locations. He took evident pride in supporting the "war fighter" in austere locations. (Tr. at 28.) He owned his U.S. residence from 2011 until 2018, when he lost the property due to foreclosure. (GE 2 at 13.) He worked as a contractor in two areas of operation (AO) (AO-A and AO-B) where he was entitled to "hazardous and dangerous pay." In AO-A he resided in country from 2009 to 2014. He resided in AO-B 2014 to 2016. (GE 1 at 9-12.) He stated he had a 70% decrease in his pay because of the differences in "hazardous and dangerous pay" when he moved from AO-A to AO-B. (Tr. at 33.) From 2016 to 2018 he resided in AO-C. When he was interviewed in November 2019 for his security clearance, he had been working and residing in a European country since January 2017. He was required to file tax returns for the European country. (GE 1; GE 2 at 13; GE 7.) He had been updating the IRS regarding his presence in a combat zone since 2015. The IRS responses to his emails provided details on when he would be required to file his tax returns. (GE 6.) His January 10, 2019 email informed the IRS he was "still deployed in a combat zone." (GE 6 at 5.) The IRS response to his email indicated the IRS was "unable to update [his] account to show the Combat Zone Extension." (GE 6 at 6.)

Applicant offered Exhibit U in his post-hearing submissions indicating his intention enroll in a debt management program (DMP) in May 2016. He listed over \$56,000 of unsecured consumer debt in the DMP. The agreement estimated it would take 60 months to liquidate the debt and there would be an additional interest of over \$14,000. He provided no documentation of any transaction history of payments into the DMP, and he indicated he dealt with the debts himself. (Tr. at 75-76.)

Applicant recently returned to the United States. He purchased a 2020 luxury car and has a \$900 monthly car payment. He currently resides with his mother and pays her

\$1,500 in monthly rent. His current monthly pay is \$7,400 and it is supplemented by a \$2,500 monthly disability payment. (Tr. at 79.)

SOR ¶ 1.a: Applicant failed to file, as required, Federal income tax returns for tax years 2014 through at least 2019 and has an outstanding Federal tax liability of approximately \$102,000. Applicant admits this concern. In August of 2019, the IRS contacted him because of his failure to file tax returns. He acknowledged his failure to file his tax returns in his security clearance interview and told the investigator he thought he was tax exempt because he was overseas. He told the investigator in the November 2019 security clearance interview he was in process of filing his Federal tax returns and that he would “file his taxes in the future.” (GE 2 at 15.) He testified “I was in the impression that I had six months to become compliant once I reached back to the United States for everything.” He acknowledged in his testimony he had arrived in the European country in 2018. He continued to claim the combat zone status as of January 2019. (Tr. at 69; GE 6 at 6.) He testified he hired an attorney in October or November of 2022, who was qualified to handle the complex tax issues he was facing due to taxes being withheld by a European country. (Tr. at 43; AE J.) He stated he was working with an accountant and an attorney to resolve his tax issues. (GE 2 at 10; Tr. at 42; AE J.) He indicated he had signed some forms but was not sure if he had filed tax returns for the relevant years. (Tr. at 64.)

A May 2023 letter to DOHA from Applicant’s tax preparer stated: “[a]s of the date of this letter the un-filed returns for [Applicant] have been prepared to bring the account into tax filing compliance. The request has been sent to IRS for a resolution of the outstanding balances, we are awaiting the determination of the assigned Revenue Officer.” (AE J.) In his post-hearing submission, Applicant offered AE V, consisting of the second page of an IRS Form 1040 that listed the tax year in parentheses for tax years 2016 (refund \$14,432), 2017 (owed \$28,836), and 2019 (owed \$1,661). The 2018 IRS 1040 Form appeared to be a single page. It shows that he owed \$15,734. All of the documents were signed on May 15, 2023. He also offered the IRS Form 8879 (e-file) for tax years 2020 and 2021 along with the second page of the IRS Form 1040. These documents were also dated May 15, 2023.

Applicant testified he had made almost \$65,000 in payments last year to the IRS. (Tr. at 42.) He documented four processed payments in January 2022 for: \$4,989 (Tax Year 2005), \$10,000 (Tax Year 2014), \$10,000 (Tax Year 2016), and \$5,000 (Tax Year 2017) as well as a pending payment made in February 2022 of \$9,611 (Tax Year 2002). (AE F and AE J.) He stated tax years 2020, 2021, and 2022 had not been filed but were in progress because of the concern about taxes being withheld by a foreign country. (Tr. at 65-66.) In explaining his delayed action, he also cited the complexity of his situation caused by also being fully taxed by the European country where he had been living and working. (Tr. at 63, 64, 65-66; AE O; AE P.)

SOR ¶ 1.c: Applicant is indebted to his employer in the approximate amount of \$3,750.48, for an overseas income tax debt, which the employer paid for Applicant. The employer has requested Applicant’s wages be garnished to satisfy the debt. Applicant denies the allegation. In his Answer he states the debt was unrelated

to overseas income tax. It was instead a debt related to a homeowners' association (HOA). He was unaware of the issue with his HOA until the garnishment action, and after he investigated the matter he said, "okay, go ahead and give it to them." (Tr. at 45; GE 5; AE D.) He believes the problem arose because the automatic payments to the HOA from his credit card had stopped. The debt was "garnished from his paycheck with the agreement of [Applicant]." The debt was resolved with one direct payment (Tr. at 45.) Applicant provided the email traffic with his employer to support his Answer. (AE D; Tr. at 45-46.)

SOR ¶ 1.d: Applicant is indebted to a bank for loan that has been charged off in the approximate amount of \$41,330. As of the date of the SOR the account remains delinquent. Applicant denied the debt and states in his Answer it was a disputed debt that had been removed from his credit report. (AE C.) He had obtained a personal loan to put an extension on the back of his house. (Tr. at 47.) When he switched countries, he testified he took a pay cut, which triggered financial hardships for him (Tr. 48, 49.) He stated "once you get into a hole, it's hard to get out of a hole. It's a balancing act. And I was trying to balance everything, and I was in over my head." (Tr. at 48.) He contacted the bank recently and determined the account was inactive and closed. Because the account was closed, he explained the bank did not "have a mechanism for [him] to repay it." (Tr. at 49.) He acknowledged that his reason for denying the debt was because it was so old that it should not be on his credit report. (Tr. at 70-71; GE 3 at 6; GE 4 at 2; AE E.)

SOR ¶ 1.e: Applicant is indebted to a bank for a credit card account that has been charged off in the approximate amount of \$11,488. As of the date of the SOR the account remains delinquent. In his Answer Applicant denies this debt. He states it was paid off in 2021 or 2022 and that it was removed from his credit report. (Tr. at 71; GE 3 at 5; AE B.) He testified that he had documentation stating that the debt had been paid and that he verified that fact the day before the hearing by phone. He stated the bank would send him correspondence to that fact because they could not provide it to him electronically. (Tr. at 49.) He blamed the delinquency on a reduction in hazardous and dangerous pay when he moved countries. (Tr. at 50-51.) Applicant provided a February transaction document dated February 28, 2022, showing a \$7,000 payment to an attorney and a letter dated June 15, 2023, and faxed to him the same day stating: "Now that you've completed your payments, we'll report the account to the consumer reporting agencies as settled for less than the full balance. As a reminder, your card is closed and can't be used for new charges." (AE S.)

SOR ¶ 1.f: Applicant is indebted for a credit card account that has been charged off in the approximate amount of \$4,203. As of the date of the SOR the account remains delinquent. In his Answer Applicant denied the allegation and disputed it on the basis the debt had been removed from his credit report. (GE 3 at 6; GE 4 at 2; AE E.) He opened the account in 2011 and the account was charged off in 2015. He affirmed that it was a legitimate debt and that he denied the debt because it was so old that it should not be on his credit report. (Tr. at 72.) He testified he had contacted the creditor and had tried to work something out. (Tr. at 72.)

SOR ¶ 1.g: Applicant is indebted for a credit card account that has been placed for collection in the approximate amount of \$535. As of the date of the SOR the account remains delinquent. Applicant in his Answer denied the debt on the basis he had paid it in full. He affirmed that he denied the debt because he had contacted the creditor and had tried to work something out and that the dispute was because the debt was so old it should not be on his credit report. (Tr. at 72; GE 3 at 5; GE 4 at 2.) When asked, “Why didn’t you just pay it off a long time ago?” Applicant responded, “I was just trying to balance everything. It was a juggling act, and I just got in over my head. And I ended up, they took a, it was mentally challenging, as well.” (Tr. at 52, 53.) He opened the account in 2016 and the account was assigned to collection in 2018. (GE 3 at 5.) He could not recall if he had resolved the debt before or after the SOR was issued. He answered “certainly” to the question if he could obtain documentation that he had paid the debt in full. (Tr. at 73.) He provided AE T, which stated: “This letter confirms your arrangement made on 1/12/2022 to make the following payment(s) to pay this account in full.” An accompanying transaction page from his bank shows a \$535.01 payment. (AE T)

SOR ¶ 1.h: Applicant is indebted for a store account that has been charged off in the approximate amount of \$2,558. As of the date of the SOR the account remains delinquent. In his Answer Applicant denied the allegation and disputed it on the basis the debt had been removed from his credit report. (GE 3 at 5; GE 4 at 3.) He stated he had contacted the company a couple of years ago about making payments and was told “it was a cancellation of debt, and they can’t take any more payments.” (Tr. at 53.) He acknowledged that dispute was not the fact that the debt was illegitimate or did not belong to him but that it should not be on his credit report because it was so old. (Tr. at 74.) He opened the account in 2013 and used it to purchase household furnishings for his family while he was overseas. The account was charged off in 2014. (Tr. at 73.) He blamed the delinquency on a reduction in hazardous and dangerous pay when he moved AOs. He stated he had contacted the creditor prior to the hearing to see if any payments could be made. He offered that if the store or a third-party creditor requested payment, he was prepared to make payment. (Tr. at 53.)

Policies

“[N]o one has a ‘right’ to a security clearance.” *Department of the Navy v. Egan*, 484 U.S. 518, 528 (1988). As Commander in Chief, the President has the authority to “control access to information bearing on national security and to determine whether an individual is sufficiently trustworthy to have access to such information.” *Id.* at 527. The President has authorized the Secretary of Defense or his designee to grant applicants eligibility for access to classified information “only upon a finding that it is clearly consistent with the national interest to do so.” Exec. Or. 10865 § 2.

Eligibility for a security clearance is predicated upon the applicant meeting the criteria contained in the adjudicative guidelines. These guidelines are not inflexible rules of law. Instead, recognizing the complexities of human behavior, an administrative judge applies these guidelines in conjunction with an evaluation of the whole person. An

administrative judge's overarching adjudicative goal is a fair, impartial, and commonsense decision. An administrative judge must consider all available and reliable information about the person, past and present, favorable and unfavorable.

The Government reposes a high degree of trust and confidence in persons with access to classified information. This relationship transcends normal duty hours and endures throughout off-duty hours. 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.

Clearance decisions must be made "in terms of the national interest and shall in no sense be a determination as to the loyalty of the applicant concerned." Exec. Or. 10865 § 7. Thus, a decision to deny a security clearance is merely an indication the applicant has not met the strict guidelines the President and the Secretary of Defense have established for issuing a clearance.

Initially, the Government must establish, by substantial evidence, conditions in the personal or professional history of the applicant that may disqualify the applicant from being eligible for access to classified information. The Government has the burden of establishing controverted facts alleged in the SOR. See *Egan*, 484 U.S. at 531. "Substantial evidence" is "more than a scintilla but less than a preponderance." See *v. Washington Metro. Area Transit Auth.*, 36 F.3d 375, 380 (4th Cir. 1994). The guidelines presume a nexus or rational connection between proven conduct under any of the criteria listed therein and an applicant's security suitability. See ISCR Case No. 15-01253 at 3 (App. Bd. Apr. 20, 2016).

Once the Government establishes a disqualifying condition by substantial evidence, the burden shifts to the applicant to rebut, explain, extenuate, or mitigate the facts. Directive ¶ E3.1.15. An applicant has the burden of proving a mitigating condition, and the burden of disproving it never shifts to the Government. See ISCR Case No. 02-31154 at 5 (App. Bd. Sep. 22, 2005).

An applicant "has the ultimate burden of demonstrating that it is clearly consistent with the national interest to grant or continue his security clearance." ISCR Case No. 01-20700 at 3 (App. Bd. Dec. 19, 2002). "[S]ecurity clearance determinations should err, if they must, on the side of denials." *Egan*, 484 U.S. at 531.

Analysis

Guideline F, Financial Considerations

The security concern under this guideline is set out 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. An individual who is financially overextended is at greater risk of having to engage in illegal or otherwise questionable acts to generate funds. . . .

This concern is broader than the possibility that a person might knowingly compromise classified information to raise money. It encompasses concerns about a person's self-control, judgment, and other qualities essential to protecting classified information. A person who is financially irresponsible may also be irresponsible, unconcerned, or negligent in handling and safeguarding classified information. See ISCR Case No. 11-05365 at 3 (App. Bd. May 1, 2012).

Applicant's admissions, testimony and the evidence admitted establish the following disqualifying conditions under AG ¶ 19:

- (b) unwillingness to satisfy debts regardless of the ability to do so;
- (c) a history of not meeting financial obligations; and
- (f) failure to file or fraudulently filing annual Federal, state, or local income tax returns or failure to pay annual Federal, state, or local income tax as required.

Conditions that could mitigate the financial considerations security concerns are provided under AG ¶ 20. The following are potentially applicable:

- (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;
- (d) the individual initiated and is adhering to a good-faith effort to repay overdue creditors or otherwise resolve debts; and

(g) the individual has made arrangements with the appropriate tax authority to file or pay the amount owed and is in compliance with those arrangements.

AG ¶ 20(a) is not established. Applicant's delinquent taxes and unresolved debts are numerous and recent and ongoing. His inaction casts doubt on his current reliability, trustworthiness, and judgment.

AG ¶ 20(b) is not established. Applicant's reason for failing to file tax returns for five years was a misunderstanding of the tax law. Even considering this reason most favorably for him as a condition beyond his control, he did not act responsibly. He had been in contact with the IRS informing the IRS of his status in a combat zone since 2015. The IRS in January 2019 noted a discrepancy. He was aware of the problem in 2019. He filed his tax returns for tax years 2016 through 2019 nine days before the hearing. His issues with foreign taxes only relate to his time working and residing in the European country, not his time in the different AOs. He was or should have been aware of the changes in hazardous pay rates in each AO. He has been continually employed, so his financial circumstances were within his control. On the delinquent credit card debts and loans he has not addressed, he has relied on the fact they have fallen off his credit report. The absence of the debts on Applicant's most recent credit report proves nothing about the status of the debts except their age. Furthermore, merely waiting for a debt to drop off a credit report by the passage of time is not a factor in an applicant's favor. See, e.g., ISCR Case No. 99-9020 at 5-6 (App. Bd. Jun. 4, 2001).

AG ¶ 20(c) is partially established. Applicant has sought assistance from an attorney and an accountant to resolve his issues. His issues have been ongoing since at least 2019 and he believed he hired the attorneys in October or November of 2022. He still has at least two tax years unresolved and an outstanding Federal tax liability.

AG ¶ 20(d) is not established. He did not take action to resolve his delinquent taxes or his debts until he began the security clearance process. Evidence of past irresponsibility is not mitigated by payment of debts only under pressure of qualifying for a security clearance. While he made tax payments for different tax years in early 2022, applicants who begin to address their security-significant conduct only when their personal interests are at stake may be lacking in judgment and reliability. ISCR Case No. 16-01211 (App. Bd. May 30, 2018). A security clearance adjudication is an evaluation of an individual's judgment, reliability, and trustworthiness. It is not a debt-collection procedure. ISCR Case No. 09-02160 (App. Bd. Jun. 21, 2010.) Even if an applicant has paid his or her debts, an administrative judge may still consider the circumstances underlying the debts for what they may reveal about the applicant's eligibility for a clearance. ISCR Case No. 14-02394 (App. Bd. Aug. 17, 2015.)

AG ¶ 20(g) is not established. In regard to Applicant's failure to timely file his Federal income tax returns for tax years 2014 through 2019, the DOHA Appeal Board has commented:

Failure to file tax returns suggests that an applicant has a problem with complying with well-established governmental rules and systems. Voluntary compliance with such rules and systems is essential for protecting classified information. ISCR Case No. 01-05340 at 3 (App. Bd. Dec. 20, 2002). As we have noted in the past, a clearance adjudication is not directed at collecting debts. See, e.g., ISCR Case No. 07-08049 at 5 (App. Bd. Jul. 22, 2008). By the same token, neither is it directed toward *inducing an applicant to file tax returns. Rather, it is a proceeding aimed at evaluating an applicant's judgment and reliability. Id.* A person who fails repeatedly to fulfill his or her legal obligations does not demonstrate the high degree of good judgment and reliability required of those granted access to classified information. See, e.g., ISCR Case No. 14-01894 at 5 (App. Bd. Aug. 18, 2015). See *Cafeteria & Restaurant Workers Union Local 473 v. McElroy*, 284 F.2d 173, 183 (D.C. Cir. 1960), *aff'd*, 367 U.S. 886 (1961).

ISCR Case No. 14-04437 at 3 (App. Bd. Apr. 15, 2016) (emphasis in original). See ISCR Case No. 15-01031 at 4 (App. Bd. June 15, 2016) (citations omitted); ISCR Case No. 14-05476 at 5 (App. Bd. Mar. 25, 2016) (citing ISCR Case No. 01-05340 at 3 (App. Bd. Dec. 20, 2002)); ISCR Case No. 14-01894 at 4-5 (App. Bd. Aug. 18, 2015). The Appeal Board clarified that even in instances where an “[a]pplicant has purportedly corrected [his or her] Federal tax problem, and the fact that [applicant] is now motivated to prevent such problems in the future, does not preclude careful consideration of [a]pplicant’s security worthiness in light of [his or her] longstanding prior behavior evidencing irresponsibility” including a failure to timely file Federal income tax returns. See ISCR Case No. 15-01031 at 3 & n.3 (App. Bd. June 15, 2016) (characterizing “no harm, no foul” approach to an applicant’s course of conduct and employing an “all’s well that ends well” analysis as inadequate to support approval of access to classified information with focus on timing of filing of tax returns after receipt of the SOR).

In ISCR Case No. 15-01031 (App. Bd. June 15, 2016), the Appeal Board explained that in some situations, even if no taxes are owed when tax returns are not timely filed, grant of access to classified information is inappropriate. In ISCR Case No. 15-1031 (App. Bd. June 15, 2016) the applicant filed his 2011 Federal income tax return in December 2013, his 2012 Federal tax return in September 2014, and his 2013 Federal tax return in October 2015. He received Federal tax refunds of at least \$1,000 for each year. Nevertheless, the Appeal Board reversed the administrative judge’s decision to grant access to classified information.

In ISCR Case No. 15-06440 at 4 (App. Bd. Dec. 26, 2017) the Appeal Board reversed the grant of a security clearance, discussed how AG ¶ 20(g) applied, and noted:

The timing of the resolution of financial problems is an important factor in evaluating an applicant’s case for mitigation because an applicant who begins to resolve financial problems only after being placed on notice that his clearance was in jeopardy may lack the judgment and self-discipline to

follow rules and regulations over time or when there is no immediate threat to his own interests. In this case, applicant's filing of his Federal income tax returns for 2009-2014 after submitting his SCA, undergoing his background interview, or receiving the SOR undercuts the weight such remedial action might otherwise merit.

In this instance, Applicant in his post-hearing submission provided evidence he filed his overdue Federal income tax returns nine days before the hearing for tax years 2016, 2017, 2018, and 2019. He has not established a payment plan to address the Federal tax debt but has made some payments. However, the Appeal Board clarified that even in instances where an "[a]pplicant has purportedly corrected [his or her] Federal [or state] tax problem, and the fact that [a]pplicant is now motivated to prevent such problems in the future, does not preclude careful consideration of [a]pplicant's security worthiness in light of [his or her] longstanding prior behavior evidencing irresponsibility" including a failure to timely pay Federal income taxes when due. See ISCR Case No. 15-01031 at 3 & n.3 (App. Bd. June 15, 2016) (characterizing "no harm, no foul" approach to an applicant's course of conduct and employing an "all's well that ends well" analysis as inadequate to support approval of access to classified information with focus on timing of filing of tax returns after receipt of the SOR).

Applicant has documented payments totaling over \$39,000 to the IRS of a Federal tax liability of approximately \$102,000. He should have been more diligent in monitoring his tax obligations while residing overseas. Under all the circumstances, Applicant's failures to timely file his Federal income tax returns for tax years 2014 through 2019 are not mitigated at this time.

Whole-Person Concept

Under AG ¶ 2(c), the ultimate determination of whether to grant eligibility for a security clearance must be an overall commonsense judgment based upon careful consideration of the guidelines and the whole-person concept. In applying the whole-person concept, an administrative judge must evaluate an applicant's eligibility for a security clearance by considering the totality of the applicant's conduct and all relevant circumstances. An administrative judge should consider the nine adjudicative process factors listed at AG ¶ 2(d):

- (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.

I have incorporated my comments under Guideline F in my whole-person analysis and applied the adjudicative factors in AG ¶ 2(d). Overall, the record evidence leaves me with questions and doubts about Applicant's eligibility and suitability for a security clearance. I conclude Applicant has not mitigated the financial considerations security concerns.

Formal Findings

I make the following formal findings on the allegations in the SOR:

Paragraph 1, Guideline F:	AGAINST APPLICANT
Subparagraphs 1.a, 1.b, 1.d, 1.f, 1.h:	Against Applicant
Subparagraphs 1.c, 1.e, 1.g:	For Applicant

Conclusion

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

Charles C. Hale
Administrative Judge