



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



In the matter of:

Applicant for Security Clearance

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) ISCR Case No. 24-00653
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Appearances

For Government: Karen Moreno-Sayles, Esq., Department Counsel
For Applicant: *Pro se*

09/12/2025

Decision

BENSON, Pamela C., Administrative Judge:

Although Applicant refuted Guidelines B (foreign influence), D (sexual behavior), and E (personal conduct), he did not mitigate Guideline F (financial considerations) security concerns. National security eligibility for access to classified information is denied.

Statement of the Case

On June 3, 2024, the Defense Counterintelligence and Security Agency (DCSA) issued a Statement of Reasons (SOR) to Applicant detailing security concerns under Guidelines D, J, F, and E. The DCSA acted 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 adjudicative guidelines implemented by the DOD on June 8, 2017.

On June 9, 2024, Applicant provided a response to the SOR (Answer). He denied the single SOR allegations alleged under Guidelines B, D, and E (SOR ¶¶ 1.a, 2.a, and

3.a), and he admitted all the SOR allegations alleged under Guideline F (SOR ¶¶ 4.a through 4.n.) He initially requested a decision be issued based on the administrative record, but on November 17, 2024, he changed his mind and requested a hearing before a Defense Office of Hearings and Appeals (DOHA) administrative judge. I was assigned this case on April 30, 2025. DOHA issued a notice on June 9, 2025, scheduling the hearing for July 15, 2025. On July 7, 2025, the Government amended the SOR to add one allegation (SOR ¶ 4.o) in that Applicant filed for Chapter 7 bankruptcy in November 2024, which was admitted. The hearing proceeded as scheduled via online video teleconferencing.

Department Counsel submitted Government Exhibits (GE) 1 through 17. Applicant testified and offered 23 documents, which I labeled as Applicant Exhibits (AE) A through W; and all of the exhibits were admitted into evidence without objection. Applicant testified, and he requested I hold the record open so he could supplement the record with additional documentation. Without objection, I held the record open until August 5, 2025. DOHA received the hearing transcript (Tr.) on July 23, 2025. On August 21, 2025, Applicant submitted numerous documents (AE X through AE FF) and 19 images (AE GG), which were more than two weeks after the record closed. Department Counsel did not object and I admitted the documents into evidence.

Findings of Fact

Applicant is 53 years old. He married in 2009 and divorced in 2013. He does not have any children. His parents immigrated into the U.S. in 1995, and through their sponsorship, Applicant immigrated to the U.S. in January 2003 at the age of 31. In July 2008, he became a naturalized U.S. citizen. He attempted to join the U.S. Army upon his arrival, but he was medically disqualified. From 2014 to 2018, Applicant volunteered for [State X's] Military Reserves military police, and he has been a volunteer for the U.S. Coast Guard Auxiliary as a guardsman since 2015. In mid-2023, Applicant applied for a linguist position with a federal contractor. This is his first application for a security clearance. (GE 2, 3, 6, 7)

Foreign Influence, Sexual Behavior, and Personal Conduct

SOR ¶ 1.a alleges Applicant traveled to foreign countries, on numerous occasions, and solicited commercial sex and/or patronized a prostitute. He vehemently denied this allegation, which was also cross alleged under Guidelines D and E. (SOR ¶¶ 2.a and 3.a.)

During the course of Applicant's security background investigation for a linguist position, he was interviewed by U.S. Army investigators in September 2023. Applicant stated that in 2018, he had traveled throughout Europe. He set a personal goal to visit at least 25 countries in a single year. He reported that he had never been in a serious romantic relationship. He traveled to Thailand and the Philippines to make "time to do what men gotta' do." The investigator noted in the report "prostitution." Applicant maintained that it was not prostitution because he did not pay the woman directly for sex, but instead bought their meals or drinks at a bar with the intention of having sex later. In his Answer, Applicant claimed he had a regular girlfriend in the Philippines, and the

investigator misconstrued his words. Applicant and his girlfriend had a break in their relationship in 2019. He listed “no further contact – no relationships.” He has been “completely single” going on six years. He also noted that he traveled to Thailand from 2018 to 2025 for two hair transplants and for other medical and cosmetic procedures. During the hearing he stated the costs in Thailand are about one-tenth of the costs in the U.S. for the same procedures. (Answer; GE 6, 7, 8; AE D, L, M; Tr. 52-53, 55-58)

Applicant testified during the hearing that when he traveled to the Philippines in 2019, he met a lady and fell in love. When he told the U.S. Army investigators that, “a man’s gotta’ do what men gotta’ do,” he was actually expressing a hope of finding love, getting married, and raising a family. He testified, a “man has a need to enjoy and have a partner in his life.” Applicant denied he had visited Thailand for the purpose of meeting women. He only went to Thailand for medical and cosmetic reasons, not for pursuing sexual relationships with women. (Tr. 53-54)

Department Counsel pointed out Applicant’s inconsistent statements. In his 2024 Answer, Applicant stated that he has been completely single since 2019, but his testimony indicated that he started a relationship with a woman in Philippines in 2019. Applicant’s response was that he had a girlfriend (#1) in the Philippines that lasted from 2018 to 2019, and girlfriend (#2) in the Philippines lasted from 2019 to 2022. It was pointed out to Applicant that he stated specifically in his Answer that he “Broke up with 2nd One – in 2019-and Never met them again...last they told [him]... both of them GOT MARRIED and have Kids.” (Punctuation and capitalization in original.) Applicant testified that he mistakenly mixed-up the dates in his Answer. He also did not disclose his past foreign girlfriends during his September 2023 security screening interview “because the relationship had ended... that relationship did not exist by the time I went for the interview. None of the relationships existed. I was single.” He also did not mention it to the U.S. Army investigators because he did not want to unnecessarily alarm them about his previous foreign relationships. (Answer; Tr. 52-59)

Applicant submitted a letter from his second girlfriend in the Philippines dated July 9, 2025. The letter states that she is “a single mother and [she] was in a relationship with [Applicant] from 2019 to 2022.” She said Applicant had met her parents, he had helped support her with her monthly household expenses, and he had paid school fees for her young daughters. (AE K) During the hearing, Applicant was questioned if he had written the letter himself due to uncanny similarities of him capitalizing certain words throughout a sentence. At first, he denied drafting the letter, but then he admitted helping his former girlfriend draft the letter because she was unable to write it herself. Applicant also acknowledged that he did not mention that he provided financial support to a foreign citizen during his September 2023 interview because he believed the investigators were only asking about any money he paid to obtain sexual favors from foreign women. (GE 1, 5, 6; Tr. 58-64)

Financial Considerations

Applicant attributes his financial problems to being unemployed from March 2019 to December 2020, and from September 2021 to July 2022. He has also unsuccessfully

attempted to start his own business on two occasions. He relied heavily on credit cards during this time for living expenses, and he also continued to travel overseas using his credit cards. He had previously hired a debt resolution company to help him resolve his growing indebtedness, but he thought the company charged too much in fees, so he terminated his business with the company. He listed in his August 2023 security clearance application (SCA) that he worked with a consumer debt company and had all of his past-due debts consolidated. He made monthly payments, and his delinquent accounts would soon be resolved. During his December 2023 background interview with an authorized DOD investigator, Applicant admitted he did not currently have a debt resolution plan in place, but he was working on hiring a company to help him with his delinquent debts totaling, at that time, approximately \$42,523. Applicant also stated that for many years, he lived in a house with his parents and grandmother, and he was the main financial provider for his extended family. (GE 2, 4, 6, 7, 8, 12, 13, 14)

SOR ¶ 4.a alleges Applicant filed for Chapter 7 bankruptcy in August 2013. He stated that his father had credit card debt from paying living expenses, and Applicant took multiple balance transfers on his credit cards to pay off his father's debt. Applicant eventually filed for bankruptcy and discharged approximately \$40,000 of debt in November 2013. (Answer; GE 2, 4, 6, 7, 11)

The debts alleged in SOR ¶¶ 4.b through 4.n were admitted by Applicant and total approximately \$49,450, which included unpaid credit cards and personal loans. These debts were included in his November 2024 Chapter 7 bankruptcy, as set forth below. (GE 4, 17)

In February 2024, Applicant entered into an agreement with another consumer debt consolidation company. His delinquent debt totaled approximately \$54,130. The length of the program was 60 months, and he was scheduled to make monthly payments of about \$720 until the expiration of the program in January 2029. There is no documentation in the record to show that Applicant has made any payments to this company. (AE B; GE 4)

SOR ¶ 4.m alleges Applicant filed for Chapter 7 bankruptcy on November 19, 2024. His nonpriority unsecured liabilities totaled approximately \$73,300. The bankruptcy was discharged in about February 2025. (GE 17)

In Applicant's Answer he reported that his parents have recently moved out of the shared residence and reside in a place where their retirement and Social Security incomes are sufficient to pay for their new residence and monthly expenses. He expects his parents will no longer need much financial support from him. Since his debts were successfully discharged, his financial situation is positive. He stated his total monthly income was about \$7,000, and his total monthly expenses were about \$500. (AE D)

Applicant submitted post-hearing photos of his volunteer and work life, certifications, recognitions, pay stubs, and a personal statement for my consideration. (AE X through AE GG)

Policies

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 used 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 overarching adjudicative goal is a fair, impartial, and commonsense decision. According to AG ¶ 2(c), 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 access to classified information will be resolved in favor of 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. Likewise, I have not drawn inferences grounded on mere speculation or conjecture.

Directive ¶ E3.1.14 requires the Government to present evidence to establish controverted facts alleged in the SOR. Under Directive ¶ E3.1.15, an "applicant is responsible for presenting witnesses and other evidence to rebut, explain, extenuate, or mitigate facts admitted by applicant or proven by Department Counsel and 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 the applicant may deliberately or inadvertently fail to safeguard classified information. Such decisions entail a certain degree of legally permissible extrapolation of potential, rather than actual, risk of compromise of classified information.

Section 7 of Executive Order 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 B: Foreign Influence

AG ¶ 6 explains the security concern about “foreign contacts and interests” stating:

Foreign contacts and interests, including, but not limited to, business, financial, and property interests, are a national security concern if they result in divided allegiance. They may also be a national security concern if they create circumstances in which the individual may be manipulated or induced to help a foreign person, group, organization, or government in a way inconsistent with U.S. interests or otherwise made vulnerable to pressure or coercion by any foreign interest. Assessment of foreign contacts and interests should consider the country in which the foreign contact or interest is located, including, but not limited to, considerations such as whether it is known to target U.S. citizens to obtain classified or sensitive information or is associated with a risk of terrorism.

AG ¶ 7 lists conditions that could raise a foreign influence security concern and may be disqualifying in this case:

- (a) contact, regardless of method, with a foreign family member, business or professional associate, friend, or other person who is a citizen of or resident in a foreign country if that contact creates a heightened risk of foreign exploitation, inducement, manipulation, pressure, or coercion; and
- (b) connections to a foreign person, group, government, or country that create a potential conflict of interest between the individual's obligation to protect classified or sensitive information or technology and the individual's desire to help a foreign person, group, or country by providing that information or technology.

The evidentiary issue in this case is whether the U.S. Army's report of Applicant's comment, “time to do what men gotta' do,” standing alone, constitutes sufficient evidence of Applicant's engagement in prostitution with foreign women on numerous occasions. Applicant has adamantly denied SOR ¶ 1.a. Furthermore, the SOR does not allege, and the evidence does not reflect, that Applicant has any current connections to persons or groups in the foreign country that would cause a heightened risk of foreign exploitation, inducement, manipulation, pressure or coercion or that would create a potential conflict of interest. Accordingly, I conclude that Applicant has refuted the allegation in SOR ¶ 1.a due to insufficient evidence, and none of the above disqualifying conditions are applicable.

Guideline D: Sexual Behavior

The security concern for sexual behavior is set out in AG ¶ 12:

Sexual behavior that involves a criminal offense; reflects a lack of judgment or discretion; or may subject the individual to undue influence of coercion, exploitation, or duress. These issues, together or individually, may raise questions about an individual's judgment, reliability, trustworthiness, and ability to protect classified or sensitive information. Sexual behavior includes conduct occurring in person or via audio, visual, electronic, or written transmission.

The guideline notes several conditions that could raise security concerns. I have considered all of the disqualifying conditions under AG ¶ 13, and the following are potentially applicable:

- (a) sexual behavior of a criminal nature, whether or not the individual has been prosecuted;
- (c) sexual behavior that causes an individual to be vulnerable to coercion, exploitation, or duress; and
- (d) sexual behavior of a public nature or that reflects lack of discretion or judgment.

SOR ¶ 1.a was cross alleged under this Guideline. Since I concluded that Applicant has refuted the allegation in SOR ¶ 1.a due to insufficient evidence, the security concerns under this Guideline are refuted as well, and none of the above disqualifying conditions are applicable.

Guideline E: Personal Conduct

AG ¶ 15 expresses the security concern for personal conduct:

Conduct involving questionable judgment, lack of candor, dishonesty, or unwillingness to comply with rules and regulations can raise questions about an individual's reliability, trustworthiness and ability to protect classified or sensitive information. Of special interest is any failure to provide truthful and candid answers during national security investigative or adjudicative processes. ...

AG ¶ 16 describes conditions that could raise a security concern and be disqualifying. The following is potentially applicable under the established facts in this case:

- (c) credible adverse information in several adjudicative issue areas that is not sufficient for an adverse determination under any other single guideline, but which, when considered as a whole, supports a whole-person assessment of questionable judgment, untrustworthiness, unreliability, lack of candor, unwillingness to comply with rules and regulations, or other

characteristics indicating that the person may not properly safeguard protected information.

SOR ¶ 1.a was cross alleged under this Guideline. Since I concluded that Applicant has refuted the allegation in SOR ¶ 1.a due to insufficient evidence, the security concerns under this Guideline are refuted as well, and none of the above disqualifying conditions are applicable.

Guideline F: Financial Considerations

The security concerns relating to the guideline for financial considerations are set out in AG ¶ 18, which reads in pertinent part:

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 facts of this case establish the following potentially disqualifying conditions set forth in AG ¶ 19:

- (b) an unwillingness to satisfy debts regardless of the ability to do so;
- (c) a history of not meeting financial obligations; and
- (e) consistent spending beyond one's means or frivolous or irresponsible spending, which may be indicated by excessive indebtedness, significant cash flow, a history of late payments or of non-payment, or other negative financial indicators.

The record evidence supports the potential disqualifying conditions set forth above. The burden, therefore, shifts to Applicant to mitigate security concerns under Guideline F.

The guideline includes the following conditions in AG ¶ 20 that can potentially mitigate security concerns arising from Applicant's financial history:

- (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, or a death, divorce or separation, clear victimization by predatory lending practices, or identity theft), and the individual acted responsibly under the circumstances; and

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

AG ¶ 20(a), (b), and (d) are not established. Applicant has experienced financial difficulties for over two decades. He attributed his financial problems to unemployment and underemployment during COVID-19, failed business ventures, taking financial responsibility for his parents and grandmother, and charging extensive foreign travel to credit cards, some of which, is a situation largely beyond his control, establishing the first prong of AG ¶ 20(b). For full mitigation credit, he must prove that he acted responsibly under the circumstances. While the pandemic and some other explanations certainly constitute circumstances beyond his control, Applicant must establish that he has acted reasonably, responsibly, and in good faith in handling his delinquent accounts.

I find the Applicant did not act responsibly and in good faith. He began accumulating debt in an irresponsible manner even before the pandemic. In 2019, he took out a \$14,000 loan. He used the money to continue traveling internationally, taking eight trips in 2019 to places including China and Istanbul, six trips in 2020, and after the COVID travel restrictions were lifted, another nine trips between October 2021 and July 2023. His conduct demonstrates consistent spending beyond his means and frivolous and irresponsible spending, causing his extensive indebtedness. It is clear that Applicant's overspending and poor financial decisions have a role in his financial troubles.

Applicant also failed to demonstrate good-faith efforts to resolve his mounting indebtedness. Prior to August 2023, he did hire a consumer consolidation debt company, but then terminated their business because he thought the company's fees were too high. Applicant entered into another agreement with a different consumer debt consolidation company in February 2024. His delinquent debt totaled approximately \$54,130. The length of the program was 60 months, and he was scheduled to make monthly payments of about \$720 until the expiration of the program in January 2029. There is no evidence in the record that Applicant made any payments to either debt resolution company. He provided information in the record that his total monthly income was about \$7,000, and his total monthly expenses were about \$500. The record evidence shows that his indebtedness continued to grow until he filed for Chapter 7 bankruptcy in November 2024, with liabilities totaling approximately \$73,300 that were discharged earlier this year.

Given Applicant's lengthy history of financial issues, I find that more time is required for him to demonstrate that he is responsible, his finances are under control, and that his monetary problems are unlikely to recur. Applicant failed to mitigate the financial considerations security concerns.

Whole-Person Concept

Under the whole-person concept, the 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. The 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.

Under AG ¶ 2(c), the ultimate determination of whether to grant eligibility for a security must be an overall commonsense judgment based upon careful consideration of the guidelines and the whole-person concept. I considered the potentially disqualifying and mitigating conditions in light of all the facts and circumstances surrounding this case. I have incorporated my comments under Guidelines B, D, E, and F and the AG ¶ 2(d) factors in this whole-person analysis.

The Federal government must be able to repose a high degree of trust and confidence in persons granted access to classified information. In deciding whether to grant or continue access to classified information, the Federal government can take into account facts and circumstances of an applicant's personal life that shed light on the person's judgment, reliability, and trustworthiness.

The record contains substantial evidence of Applicant's inconsistent statements, which is troubling and undercuts his credibility. The nature of the inconsistent statements are not the result of a faulty memory, but a purposeful effort to characterize his past relationships with foreign women as being in good faith. Although there was insufficient evidence in the record to support a finding that he paid women to engage in prostitution, I have significant reservations about Applicant's current security worthiness due to his credibility, reliability, and trustworthiness.

Considering the evidence as a whole, I find Applicant has not carried his burden of showing that it is clearly consistent with the interests of national security of the United States to grant him eligibility for access to classified information.

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 B:	FOR APPLICANT
Subparagraph 1.a:	For Applicant
Paragraph 2, Guideline D:	FOR APPLICANT
Subparagraph 2.a:	For Applicant
Paragraph 3, Guideline E:	FOR APPLICANT
Subparagraph 3.a:	For Applicant
Paragraph 4, Guideline F:	AGAINST APPLICANT
Subparagraphs 4.a through 4.o:	Against Applicant

Conclusion

In light of all of the circumstances presented by the record in this case, I conclude that it is not clearly consistent with the interests of national security to grant Applicant's national security eligibility. Eligibility for access to classified information is denied.

Pamela C. Benson
Administrative Judge