



for that decision—security concerns raised under Guideline F (Financial Considerations) and Guideline E (Personal Conduct) of Department of Defense Directive 5220.6 (Jan. 2, 1992, as amended) (Directive). Applicant requested a hearing. On April 30, 2007, after the hearing, Administrative Judge Juan J. Rivera denied Applicant’s request for a security clearance. Applicant filed a timely appeal pursuant to Directive ¶¶ E3.1.28 and E3.1.30.

We construe Applicant’s appeal as alleging that the Judge’s adverse security clearance decision was arbitrary, capricious, and contrary to law. Finding no error, we affirm.

The Judge made the following sustainable findings of fact: Applicant, 40 years old at the time of the Judge’s decision, holds a bachelor’s degree in electrical engineering.

In preparing his security clearance application, Applicant answered “no” to questions as to delinquent debts over 180 days and 90 days respectively. Actually, Applicant had several unpaid debts.

He owed \$4329 to a collection agency for a credit card account. Applicant testified that the card was sent to him unsolicited and that as a consequence he has no obligation to pay the debt. He also stated that he had no contract with the collection agency and, for that reason as well, had no intention to pay.

Applicant defaulted on a debt of around \$360 for the purchase of a suit. The seller charged off the account and turned it over to a collection agency. For the same reason as that mentioned above, Applicant has declined to pay the collection agency.

Applicant owed a debt of \$443 for a cell phone. He had a dispute with the service provider over, among other things, whether the contract was for one year or was for a longer period of time. Applicant has declined to pay the debt, arguing that his contract had expired after one year, contrary to the position taken by his service provider.

Applicant had a cell phone with another company and declined to pay \$112, which he asserted were roaming fees that he did not owe under the contract. The Judge found that Applicant did not corroborate his claims about this debt.

When confronted by an investigator about these debts, Applicant stated that he had no intention to pay them off. At the hearing he claimed, as stated above, lack of privity of contract with the collection agencies. He also claimed that the statute of limitations had run and asserted that, in any event, he had discharged these debts by filing a financing statement under the Uniform Commercial Code. Applicant provided no corroboration for his claim that his debts were discharged by operation of law.

In light of the foregoing, we conclude that Applicant has not met his burden of demonstrating that the Judge erred.

**Order**

The Judge's decision denying Applicant a security clearance is AFFIRMED.

Signed: Michael Y. Ra'anan

Michael Y. Ra'anan  
Administrative Judge  
Chairman, Appeal Board

Signed: William S. Fields

William S. Fields  
Administrative Judge  
Member, Appeal Board

Signed: James E. Moody

James E. Moody  
Administrative Judge  
Member, Appeal Board