

DATE: November 30, 2006

In re:

SSN: -----

Applicant for Security Clearance

ISCR Case No. 03-20476

ECISION OF ADMINISTRATIVE JUDGE

ARTHUR E. MARSHALL, JR.

APPEARANCES

FOR GOVERNMENT

Stephanie Hess, Esq., Department Counsel

FOR APPLICANT

Pro se

SYNOPSIS

Applicant is a 50-year-old senior engineer working for a defense contractor that performs aeronautical inspections. After his wife was hospitalized in 1999 and forced to withdraw from the workforce, he left his job to care for their three young children. When he returned to work, he was faced with the challenges of supporting his family on one income. After earnestly completing a security clearance application in 2002, he learned about accounts on his credit report, many of which were erroneous. He disputed questionable entries on that report and satisfied all but one obligation. Applicant has mitigated security concerns arising from his finances and personal conduct. Clearance is granted.

STATEMENT OF THE CASE

On February 4, 2002, Applicant submitted a Security Clearance Application (SF-86). On September 30, 2005, the Defense Office of Hearings and Appeals (DOHA) issued a Statement of Reasons (SOR) to Applicant, pursuant to Executive Order 10865, *Safeguarding Classified Information Within Industry*, February 20, 1960, as amended and modified, and Department of Defense Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (Directive), dated January 2, 1992, as amended and modified. The SOR detailed reasons, under Guideline F (Financial Considerations) and Guideline E (Personal Conduct), why DOHA could not make the preliminary affirmative finding under the Directive that it is clearly consistent with the national interest to grant or continue a security clearance for Applicant, and DOHA recommended referral to an administrative judge to determine whether a clearance should be denied or revoked.

In a sworn statement, dated October 19, 2005, Applicant responded to the SOR allegations and requested a hearing. In his SOR response, Applicant admitted 8 of the 12 allegations under Guideline F ⁽¹⁾ and denied all three allegations raised under Guideline E. The case was assigned to me on September 29, 2006. A notice of hearing was issued on October 3, 2006, scheduling the hearing for October 19, 2006. The hearing was conducted as scheduled. The government submitted 14 exhibits that were marked as Government Exhibits (Exs.) 1 through 14, and the exhibits were admitted into the record without objection. Applicant testified on his own behalf and submitted eight exhibits that were marked as Applicant's Exs. A through H, which were also admitted without objection. Applicant was given until

November 2, 2006, to submit additional documents. DOHA received the hearing transcript (Tr.) on October 31, 2006. On November 1, 2006, Applicant submitted a 15-page package, representing 10 additional exhibits, which I marked as Applicant's Exs. I through R. In the absence of objection from the government, those exhibits were admitted and the record was closed on November 6, 2006.

FINDINGS OF FACT

Applicant's admissions to the allegations in the SOR are incorporated herein. In addition, after a thorough review of the evidence and exhibits, I make the following findings of fact:

Applicant is a 50-year-old senior engineer working for a defense contractor that performs aeronautical inspections. In August 1997, he married his current spouse. He has two grown children and is the stepfather of his present wife's three teenage children. Applicant has a high school diploma and one year of university-level education.

Thrice divorced and the father of two children from his first marriage, Applicant and his third wife filed for bankruptcy in 1993. He generally lived within budget after divorcing his third wife in 1995, with two notable exceptions. First, in 1996, he vacated an apartment without leaving a forwarding address. When it was found he owed money for cleaning the apartment, the landlord eventually went to court to recover the cleaning expenses. Second, in 1997, an action was commenced to repossess a sofa and an appliance, but that action was dismissed and the matter ultimately resolved.

On August 2, 1997, Applicant married his current wife.⁽²⁾ His wife, who has suffered from diabetes since early childhood, suddenly experienced extreme vascular problems one night in 1998 or 1999; she immediately underwent emergency bypass surgery. As a result, she was in a hospital for about three months, then out of work, before three subsequent eye surgeries and the removal of her gallbladder left her disabled.⁽³⁾ During her initial hospitalization and convalescence, Applicant was left to care for their three young children. The demands of caring for their three young children, ranging in ages from five to twelve, forced him to leave his job in lieu of being fired.⁽⁴⁾ With his wife unable to work and his having to resort to itinerant employment, they lost their home to foreclosure in 2001. In the intervening period, he cancelled his two credit cards, which were secured by his bank and which he thought were thus paid off by using funds from his savings account.⁽⁵⁾ Then he depleted the remainder of their savings. He persevered, however, and his finances began to slowly improve.

On February 4, 2002, Applicant completed an SF-86 security clearance application. On that form, he answered "yes" to "**Question 38. Your Financial Delinquencies - 180 Days** *In the last 7 years, have you been over 180 days delinquent on any debt(s)?*" and indicated the 2001 mortgage delinquency that led to their 2001 home foreclosure. He answered "no" to "**Question 39. You Financial Delinquencies - 90 Days** *Are you currently over 90 days delinquent on any debt(s)?*" He did not first check his credit bureau report (CBR) prior to answering the questions because such information had not been pertinent to other security clearances he has been granted.⁽⁶⁾ He, therefore, did not know about any reported delinquencies or erroneous CBR entries. He felt at the time that he had "diligently tried to respond to all of these the best [he] could throughout this entire [period,] any time they asked a question, I responded."⁽⁷⁾

In response to "**Question 40. Public Record Civil Court Actions** *In the past 7 years, have you been a party to any public record civil court actions not listed elsewhere in this form?*," Applicant answered "no." The SOR alleges that there are four such actions. Applicant did not recall a 1997 repossession action against him that was ultimately dismissed.⁽⁸⁾ He also did not recall an action that had been instituted when he vacated an apartment without leaving a forwarding address, leaving his landlord unable to send him a bill for his final month's rent; that action was ultimately dismissed.⁽⁹⁾ A third action, dating from 1996 for a balance owed to a landlord for cleaning an apartment after it was vacated,⁽¹⁰⁾ was paid.⁽¹¹⁾ He did not list this action because he thought his satisfaction of the obligation obviated the need to include on the SF-86. Applicant believed that one did not need to list actions which were satisfied or dismissed.⁽¹²⁾ Applicant was unaware of a fourth action attributed to him,⁽¹³⁾ but which did not involve him; rather, it was a proceeding brought by his mother against his son.⁽¹⁴⁾ He has since "learned that it doesn't hurt to put more down than there really is. Putting less down always kills you."⁽¹⁵⁾

After the security clearance investigative process began later in 2002, Applicant discovered the existence of some delinquencies on his credit report. He disputed some of the accounts and began investigating the remainder. [\(16\)](#)

The majority of the accounts alleged as delinquent in the SOR became delinquent between 1998 and 2002. The current status of, and Applicant's remarks regarding, all the accounts raised in the SOR are as follows:

1.a - Collection Agency for Medical Bill for \$13.00 - PAID, BUT NO PROOF OF PAYMENT - Although Applicant feels that his wife's secondary medical insurer should have satisfied this debt for her son, he paid the bill; he did not, however, retain proof of payment. Applicant states that he has contacted the creditor to remove the entry from his CBR [\(17\)](#) and he has contacted the CBRs.

1.b - Collection agency for Medical Bill for \$197 - IN DISPUTE - This account is also related to Applicant's stepson. The insurer has protracted payment due to a misunderstanding as to the nature of his stepson's accident. He wrote to the insurer on August 12, 2004, and on October 17, 2005, regarding the nature of the accident. To date, the claim is outstanding, but in dispute. [\(18\)](#)

1.c - Utilities Delinquency for \$994 - DISPUTED/REMOVED FROM CREDIT REPORT - This account was turned over for collection in about June 2002. Applicant disputed that this account is his, based on the dates of service, address, and a reference that the account was in his name, plus the suffix "Sr.," which he does not use. [\(19\)](#) It has since been removed from his CBR. [\(20\)](#)

1.d - Telecommunications Bill for \$211 - SATISFIED - Applicant previously disputed the amount owed as less than \$211. After disputing the matter, the collection agent settled the account in full for the amount of \$115.84, which was satisfied by payment at some date prior to October 17, 2006. [\(21\)](#)

1.e - Cable Bill for \$423 - IN DISPUTE - Applicant disputes he has an outstanding obligation with this provider because he never used its services and because he has used an alternative service for many years. [\(22\)](#) He disputed the account as an erroneous entry in October 2005. [\(23\)](#)

1.f - Telecommunications Bill for \$250 - PAID - Applicant was previously unaware of the obligation and, after investigating its validity, paid the provider. [\(24\)](#)

1.g - Bank "C" for \$1,781 - UNPAID - This account was erroneously entered into Applicant's earlier CBRs in duplicate as account ending -1632. His current CBR, found at Ex. H, notes it only once. Applicant states that he remembers little about this account, that it is very old, and remains unpaid. [\(25\)](#) The account was opened in June 1996, with a date of last activity in October 1998, and has since been charged off. He plans to address this obligation.

1.h - Bank "C" for \$1,735 - PAID - At the hearing, Applicant stated he did not know much about this account. When it was noted that this account was unpaid as of April 14, 2004, it was determined that the existence of this debt was predicated on Applicant's own Financial Interrogatory, introduced as Ex. 7. Applicant, however, submitted a copy of his September 16, 2005, CBR as Ex. H that notes account ending -1122 has a balance of zero, no balance past due, a date of last payment in October 1998, and reveals no indication of any successor [\(26\)](#); in contrast, the debt noted at 1.g has similar information regarding the account being charged off, but still reflects an amount past due and balance. Therefore, this account was apparently settled in 1998.

1.i - Bank "P" for \$2,755 - IN DISPUTE - When Applicant's June 13, 2002, CBR was issued, there was a balance well within the credit card's credit limit of \$1,874 and his payments were noted as timely. Despite being closed in 2003 at his request with a balance of \$199, a balance that was to be paid off with funds from his bank account, the balance continued to climb to its present amount by the time his October 23, 2004, CBR was issued. Because of the ever-growing discrepancy between a balance of \$199 and an obligation of \$2,755, well in excess of the credit card's own credit limit, Applicant disputed the matter with the creditor in October 2005. No adjustment has thus far been made on his CBR, nor any explanation provided. [\(27\)](#)

1.j - Collection Agent for \$2,441 - DISPUTED - This account was placed into collection in about May 1998. Applicant was unaware of what the account was for and of what the obligation was for; he disputed it with the major CBRs on-line sometime in the past few years. (28) It was no longer reflected on his credit report as of June 2005, but there is no indication whether this was removed due to its age or due to a determination the entry was erroneous.

1.k - Utilities Account for \$279 - PAID - This account was initially neglected through an oversight. Applicant was working in a distant state for a brief period, then returned home in the spring or summer of 2004. The final bill was not properly forwarded or was not received. (29) The balance, however, was paid in full in October 2006. (30)

1.l - City Utility Bill for \$211 - PAID - This account was similarly overlooked because the final bill was not properly forwarded or received. The balance was paid in full in October 2006. (31)

Today, Applicant earns approximately \$70,000 per year, yielding him a grossly monthly income of about \$5,833 in a state which levies no state income tax. Because of his wife's disability, she does not work; she does, however, draw about \$1,000 a month in Social Security and she receives about \$700 a month in child support. (32) Their primary obligations are for rent (\$1,200 per month) and payments on his 2000 vehicle, purchased used, and his wife's 2005 vehicle, upon which they pay a combined amount of approximately \$800 per month. Their utilities vary, but average about \$360 per month. Applicant also has sufficient earnings surplus currently to contribute \$400 every two weeks to his 401k plan, some or all of which is subject to employer matching funds. (33)

Applicant is up-to-date on his current and continuing obligations and continues to work on any remaining debt. His sole remaining debt is for approximately \$1,780. (34) He stated: "For the most part, my credit has been improving dramatically. . . ." (35) He is now more diligent and proactive in monitoring his credit reports and obligations. His October 2006 bank transaction history shows that he maintains positive balances. (36) His most recent CBR, dated February 10, 2006, (37) reflects dramatic improvement. Of the few entries contained, the only adverse entries noted are those on accounts alleged in the SOR as 1.d, 1.f, 1.k, and 1.i, all of which have since been paid. The remaining accounts are reflected as current: three credit cards with cumulative available credit limits of \$750; their then-current cumulative balance was \$612. Remaining on his CBR was an automobile loan and lease, payments on which were both noted as current. At work, he is doing well, receiving positive performance evaluations, and earning a regular salary. (38)

POLICIES

Enclosure 2 of the Directive sets forth adjudicative guidelines to be considered in evaluating a person's eligibility to hold a security clearance. Included in the guidelines are disqualifying conditions (DC) and mitigating conditions (MC) applicable to each specific guideline. Additionally, each security clearance decision must be a fair and impartial commonsense decision based on the relevant and material facts and circumstances, the whole-person concept, along with the factors listed in the Directive. Specifically these are: (1) the nature and seriousness of the conduct and surrounding circumstances; (2) the frequency and recency of the conduct; (3) the age of the applicant; (4) the motivation of the applicant, and the extent to which the conduct was negligent, willful, voluntary, or undertaken with knowledge of the consequences; (5) the absence or presence of rehabilitation; and (6) the probability that the circumstances or conduct will continue or recur in the future. Although the presence or absence of a particular condition or factor for or against clearance is not outcome determinative, the adjudicative guidelines should be followed whenever a case can be measured against this policy guidance.

The sole purpose of a security clearance determination is to decide if it is clearly consistent with the national interest to grant or continue a security clearance for an applicant. (39) The government has the burden of proving controverted facts. (40) The burden of proof is something less than a preponderance of evidence. (41) Once it has met its burden, the burden shifts to an applicant to present evidence of refutation, extenuation, or mitigation to overcome the case against him. (42) Finally, the applicant has the ultimate burden of persuasion to obtain a favorable clearance decision. (43)

No one has a right to a security clearance (44) and "the clearly consistent standard indicates that security clearance

determinations should err, if they must, on the side of denials." (45) Any reasonable doubt about whether an applicant should be allowed access to sensitive information must be resolved in favor of protecting such sensitive information. (46) The decision to deny an individual a security clearance is not necessarily a determination as to the loyalty of an applicant. (47) It is merely an indication that the applicant has not met the strict guidelines the President and the Secretary of Defense have established for issuing a security clearance.

Based upon consideration of the evidence, I find the following adjudicative guidelines most pertinent to the evaluation of the facts in this case:

Guideline F - Financial Considerations. *The Concern:* An individual who is financially overextended is at risk of having to engage in illegal acts to generate funds. Unexplained affluence is often linked to proceeds from financially profitable criminal acts. (48)

Guideline E - Personal Conduct. *The Concern:* Conduct involving questionable judgment, untrustworthiness, unreliability, lack of candor, dishonesty, or unwillingness to comply with rules and regulations could indicate that the person may not properly safeguard classified information. (49)

Conditions pertaining to these adjudicative guidelines that could raise a security concern and may be disqualifying, as well as those which would mitigate security concerns, are set forth and discussed in the conclusions below.

CONCLUSIONS

I have carefully considered all the facts in evidence and the legal standards. The government has set forth arguments for disqualification under Guideline F (Financial Considerations) and Guideline E (Personal Conduct). For clarity, I will discuss the two guidelines separately.

Financial Considerations

The government has provided evidence that Applicant acquired 12 delinquent accounts over the years, most of which became delinquent between 1998 and 2002. He has admitted a majority of the allegations related to those delinquent accounts and has failed to demonstrate that all have been resolved. Consequently, the government has provided sufficient evidence under Guideline F that Financial Considerations Disqualifying Condition (FC DC) E2.A6.1.2.1 (*a history of not meeting financial obligations*) and FC DC E2.A6.1.2.3 (*inability or unwillingness to satisfy debts*) apply

With the government's case established, the burden shifts to Applicant to present evidence of refutation, extenuation, or mitigation to overcome the case against him. Here, Applicant has shown that six of the accounts have been paid or otherwise resolved and one account has yet to be paid; the remaining five accounts are currently in dispute and, consequently, currently unresolved. Therefore, neither Financial Considerations Mitigating Condition (FC MC) E2.A6.1.3.1 (*the behavior was not recent*) nor FC MC E2.A6.1.3.2 (*it was an isolated incident*) applies.

In 1998 or 1999, Applicant's wife's lifelong struggle with juvenile diabetes led her to emergency surgery. Her hospitalization and subsequent convalescence required Applicant to leave his employment in lieu of being fired in order to care for their three young children. Although he managed to return to work, his wife's health further declined, owing to subsequent surgeries and problems; today, she is deemed medically disabled. During the intervening time, as Applicant struggled to manage his sole income in order to support his family, debts accrued and went delinquent as older accounts also became delinquent. Inasmuch as his wife's extensive and severe medical problems were unexpected, and his need to leave work before being fired was a repercussion of these medical crises, FC MC E2.A6.1.3.3 (*the conditions that resulted in the behavior were largely beyond the person's control (e.g., loss of employment, a business downturn, unexpected medical emergency, or a death, divorce or separation)*) applies.

The record does not reveal whether Applicant received financial counseling. Therefore, (*the person received or is receiving counseling for the problem and there are clear indications that the problem is being resolved or is under control*). In the absence of such evidence, FC MC E2.A6.1.3.4 cannot apply. When Applicant first learned that he had delinquent accounts listed on his credit report in 2002, however, he began reviewing that report and disputed accounts

which he believed to be inaccurate or erroneous entries. He renewed those disputes in October 2005, including disputes concerning five accounts which are at issue herein. For the remaining seven accounts at issue, he has

paid or settled five of six of his obligations, including two that were merely oversights, and apparently satisfied a medical bill for which he personally had no liability. ⁽⁵⁰⁾ Only one debt remains acknowledged and thus far unpaid. Using his most recent credit report from February 2006 as a guide, he has satisfied all his delinquent accounts and is current on his few remaining reportable accounts. Today, he is living within his means, paying current bills as they arrive, and plans on paying off his sole remaining debt. Consequently, FC MC E2.A6.1.3.6 (*[t]he individual initiated a good-faith effort to repay overdue creditors or otherwise resolve debts*) applies.

In sum, when the SOR was issued, Applicant was faced with allegations stating he was delinquent on a dozen accounts. He immediately began addressing the accounts at issue. Applicant has shown that he has disputed five of those accounts, and paid or otherwise addressed the remaining six. He plans on addressing the one remaining debt, representing a manageable sum of \$1,781 which is a small enough sum not to pose a genuine security risk.

Today, Applicant is living within his means, has drastically limited the availability of credit, relies heavily on direct payment through his bank account, is setting aside money for his retirement, and is still able to adequately provide for his family. His newest credit report is markedly improved, indicates no new delinquencies have arisen in the interim, and reflects a remarkably low level of credit use. Further, his recent bank statement shows that he is capable of meeting his obligations while maintaining a positive bank balance, with sufficient funds leftover to address his one remaining obligation. Based on his current financial situation, and in light of his growing savings, there is little to no risk that he would have to resort to illegal or dubious acts to generate funds. Applicant has mitigated security concerns based on his finances.

Personal Conduct

The Regulation also sets out several potentially disqualifying and mitigating conditions under Guideline E. Here, the government argues that Applicant intentionally falsified material facts when he denied having any delinquencies or public record civil court actions. Applicant denies intentionally providing false, misleading, or inaccurate answers.

With regard to his answers about delinquencies, Applicant testified that he was unaware of the contents of his earlier credit bureau reports. He also noted that, based on other security clearances, he did not feel compelled to first check his credit bureau reports prior to completing his SF-86. To his defense, it is notable that he did not answer Question 38 with a blanket answer of "no," but rather listed one very significant delinquency.

With regard to Applicant's neglecting to list the four civil actions noted in the SOR, it is significant that one did not involve him but his son and namesake. As for the other three, he assumed that he did not have to list an action in which his liability had been satisfied. He simply forgot the remaining two, and, until instructed to the contrary at the hearing, held a misconception that dismissed actions did not have to be noted. Given that the one valid judgment was satisfied and the two other actions dismissed, there was little reason to conceal these facts. Moreover, his explanation is not incredible, and there is no evidence that he intentionally withheld this information. Furthermore, when a falsification allegation is denied, the government has the burden of proving it; proof of an omission, standing alone, does not establish or prove an applicant's intent or state of mind when the omission occurred. ⁽⁵¹⁾ In the absence of evidence that Applicant intentionally or purposefully meant to mislead or falsify, neither Personal Conduct Disqualifying Condition (PC DC) E2.A5.1.2.2 (*[t]he deliberate omission, concealment, or falsification of relevant and material facts from any personnel security questionnaire, personal history statement, or similar form used to conduct investigations, determine employment qualifications, award benefits or status, determine security clearance eligibility or trustworthiness, or award fiduciary responsibilities*), PC DC E2.A5.1.2.4 (*[p]ersonal conduct or concealment of information that increases an individual's vulnerability to coercion, exploitation, or duress, such as engaging in activities which, if known, may affect the person's personal, professional, or community standing or render the person susceptible to blackmail*), nor any of the other available disqualifying conditions apply to his answers on the three SF-86 questions at issue. Given these factors and Applicant as a "whole person," there is no evidence to support the contention that he committed any falsity in answering his SF-86.

I have considered all the facts and evidence in this matter. I also have considered the "whole person" concept in evaluating Applicant's risk and vulnerability in protecting our national interests with regard to the security concerns raised. He is a mature man with considerable life experience. He has had a solid work history, favorable performance ratings, and he promptly began addressing the accounts at issue when the 2002 SOR enlightened him as to his credit report's contents. Reduced from a two-income family to one with only an individual wage-earner, he has rebounded financially through parsimony and planning. He has limited his own access to credit and relies on his bank account for his bills. He has addressed all the accounts at issue but one by satisfying his obligations or formally disputing questionable accounts through the proper methods. He plans to address his one remaining debt, a manageable amount of approximately \$1,781, and has shown that his current budgeting and parsimony leave him with sufficient excess funds to address it.

Most importantly, Applicant has shown through his most current credit bureau report and bank statement that his potential for credit abuse in the future is highly limited, his current financial situation is solid, and that he is saving money for his future. He has also demonstrated that he did not intentionally mislead with his inaccurate answers on his SF-86 and shown that he has endeavored to be forthcoming throughout this process. Although his finances may yet require vigilance and personal resolve, there is no reason to conclude that they pose a security concern. Based on the mitigating conditions raised and the "whole person" analysis, Applicant has mitigated security concerns arising from his finances and personal conduct. Clearance is granted.

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 (Financial Considerations): FOR APPLICANT

Subparagraph 1.a: For Applicant

Subparagraph 1.b: For Applicant

Subparagraph 1.c: For Applicant

Subparagraph 1.d: For Applicant

Subparagraph 1.e: For Applicant

Subparagraph 1.f: For Applicant

Subparagraph 1.g: For Applicant

Subparagraph 1.h: For Applicant

Subparagraph 1.I: For Applicant

Subparagraph 1.j: For Applicant

Subparagraph 1.k: For Applicant

Subparagraph 1.l: For Applicant

Paragraph 2. Guideline E (Personal Conduct): FOR APPLICANT

Subparagraph 2.a: For Applicant

Subparagraph 2.b: For Applicant

Subparagraph 2.c: For Applicant

DECISION

In light of all of the circumstances in this case, it is clearly consistent with the national interest to grant a security clearance for Applicant. Clearance is granted.

Arthur E. Marshall, Jr.

Administrative Judge

1. Specifically, Applicant admitted SOR allegations 1.a, 1.b, 1.f, 1.g, 1.h, 1.k, and 1.l; he denied allegations 1.c, 1.d, 1.j. He stated that he could neither admit nor deny allegation 1.e, an account included on his credit report, but which he has disputed.

2. Ex. 1 (SF-86, dated February 4, 2002) at 3-4.

3. Tr. 64.

4. Tr.23.

5. Tr. 50.

6. Tr. 40.

7. Tr. 43.

8. Tr. 42; Ex. 11 (Furniture Store action against Applicant from 1998 and dismissed on March 3, 2000).

9. Tr. 42; Ex. 12 (Rental payment demand subsequent to a October 31, 1997, move-out report which had no forwarding address; demand withdrawn and action dismissed on August 17, 2000).

10. Ex. 10 (Judgment against Applicant, dated September 3, 1996).

11. Tr. 42. Applicant provided no proof that this judgment from over a decade ago was paid. It is not, however, noted as outstanding on his March 2002 CBR (Ex. 6) or any subsequent CBR admitted into evidence.

12. *Id.*

13. Tr. 42; Ex. 13 (Judgement, dated September 28, 2000).

14. Ex. I (E-mail from Applicant's daughter, dated November 1, 2006).

15. *Id.* (Applicant continued by stating "I am never doing one of these [applications again] without [first] getting a security report either.")

16. Tr. 51.

17. .Tr. 16-17, 25.

18. Tr. 5-27; Ex. C (Letter of August 12, 2004) and Ex. D (Letter of October 17, 2005).

19. The Applicant is the son of, and the father of, living men with the same first, middle, and last names as his own. The evidence indicates that only the son uses a suffix (Jr.). *See, e.g.*, Ex. 1 (Applicant's SF-86, dated February 4, 2002).

20. Tr. 27; Ex. H (Equifax Credit Report, dated September 16, 2005).

21. Tr. 27-28; Ex. B (Collection Agency Settlement Acknowledgment, dated October 17, 2006).
22. Tr. 29.
23. Ex. L (Letter of October 16, 2005).
24. Ex. F (Copy of Check 2073, dated October 11, 2006) and Ex. J (Bank Draft History, dated October 31, 2006), at 3, noting that check 2073 cleared Applicant's bank on October 30, 2006.
25. Tr. 29-33.
26. Ex. H, *supra* 5, at 4 of 8.
27. Tr. 33-34; Ex. M (Letter of October 17, 2005).
28. Tr. 34-36. Judicial notice may be exercised to note that on-line disputes do not regularly generate receipts or copies of the information reported.
29. Tr 39.
30. Tr. 38; Ex. E (Letter and Check 2074, dated October 11, 2006) and Ex. J, *supra*, note 19, at 3 of 3, noting that check cleared Applicant's bank on October 25, 2006.
31. Tr. 38-40; Ex. G (Letter and Check 2075, dated October 11, 2006) and Ex. J, *supra*, note 19, at 3 of 3, noting that check cleared Applicant's bank on October 27, 2006.
32. Applicant's wife's on-going medical care is covered by Medicare and Medicaid.
33. Tr. 62.
34. Excluding SOR allegation 1.c, which was apparently removed from Applicant's credit report as erroneous, this one obligation plus the accounts in dispute amount to less than \$7,600.
35. Tr. 43.
36. Ex. J, *supra*, note 19.
37. Ex. 3 (Credit Report, dated February 10, 2006).
38. Tr. 63.
39. ISCR Case No. 96-0277 at 2 (App. Bd. Jul 11, 1997).
40. ISCR Case No. 97-0016 at 3 (App. Bd. Dec 31, 1997); Directive, Enclosure 3, ¶ E3.1.14.
41. *Department of the Navy v. Egan*, 484 U.S. 518, 531 (1988).
42. ISCR Case No. 94-1075 at 3-4 (App. Bd. Aug 10, 1995); Directive, Enclosure 3, ¶ E3.1.15.
43. ISCR Case No. 93-1390 at 7-8 (App. Bd. Jan 27, 1995); Directive, Enclosure 3, ¶ E3.1.15.
44. *Egan*, 484 U.S. 518, at 531.
45. *Id.*
46. *Id.*; Directive, Enclosure 2, ¶ E2.2.2.

47. Executive Order 10865 § 7.

48. Directive, Enclosure 2, ¶ E2.A6.1.1

49. Directive, Enclosure 2, ¶ E2.A5.1.1.

50. *See* SOR allegation 1.a.

51. ISCR Case No. 03-09483 at 4 (App. Bd. Nov. 17, 2004)(explaining holding in ISCR Case No. 02-23133 at 5 (App. Bd. Jun. 9, 2004)).