KEYWORD: Foreign Influence; Foreign Preference

DIGEST: Applicant was born in Australia, and worked in support of the joint U.S. and Australian intelligence effort for over 30 years. He held a high-level security clearance recognized by the U.S., and was granted access to classified U.S. intelligence materials. Applicant immigrated to the U.S. in 1992, and became a U.S. citizen in 2002. Applicant's mother, daughter, and two associates are citizens and residents of Australia. Applicant has property holdings in Australia, but they are insufficient to make him vulnerable to foreign influence. Applicant exercised dual citizenship for a time, but later surrendered his passport and renounced his Australian citizenship. Applicant mitigated the security concerns arising from possible foreign influence and foreign preference. Clearance is granted.

CASENO: 04-01909.h1

DATE: 08/29/2005

DATE: August 29, 2005

In re:

SSN: ----------

Applicant for Security Clearance

ISCR Case No. 04-01909

DECISION OF ADMINISTRATIVE JUDGE

MICHAEL J. BRESLIN

APPEARANCES

FOR GOVERNMENT

Edward W. Loughran, Esq., Department Counsel

FOR APPLICANT

William Savarino, Esq.

SYNOPSIS

Applicant was born in Australia, and worked in support of the joint U.S. and Australian intelligence effort for over 30 years. He held a high-level security clearance recognized by the U.S., and was granted access to classified U.S. intelligence materials. Applicant immigrated to the U.S. in 1992, and became a U.S. citizen in 2002. Applicant's mother, daughter, and two associates are citizens and residents of Australia. Applicant has property holdings in Australia, but they are insufficient to make him vulnerable to foreign influence. Applicant exercised dual citizenship for a time, but later surrendered his passport and renounced his Australian citizenship. Applicant mitigated the security concerns arising from possible foreign influence and foreign preference. Clearance is granted.

STATEMENT OF THE CASE

On November 13, 2002, Applicant submitted an application for a security clearance. The Defense Office of Hearings and Appeals (DOHA) declined to grant or continue a security clearance for Applicant under Department of Defense Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (Jan. 2, 1992), as amended and modified (the "Directive"). On August 10, 2004, DOHA issued a Statement of Reasons (SOR) detailing the basis for its decision. The SOR alleged security concerns raised under Guideline B, Foreign Influence, and Guideline C, Foreign Preference, of the Directive.

Applicant answered the SOR by letter dated August 26, 2004. He requested a hearing before an administrative judge.

The case was originally assigned to another administrative judge, but was reassigned to me on November 2, 2004. With the concurrence of the parties, I conducted the hearing on December 7, 2004. The department counsel introduced ten exhibits. Applicant's counsel presented documents admitted as Exhibits A through U, and the testimony of two witnesses. Applicant also testified on his own behalf. DOHA received the transcript (Tr.) of the hearing on December 28, 2004.

FINDINGS OF FACT

Applicant admitted the factual allegations in the SOR, with explanations. Answer to SOR, dated August 26, 2004, at 2. Those admissions are incorporated herein as findings of fact. After a complete and thorough review of the evidence in the record, I make the following additional findings of fact.

Applicant was born in Australia in 1947. Ex. 3 at 1. Australia is a Constitutional democracy, which recognizes the British monarch as its sovereign. Ex. G at 1. It is an independent nation within the British Commonwealth, whose constitution is modeled, in part, upon the U.S. Constitution. *Id.* at 3. Australia has extensive ties with the United States, especially in the areas of culture, economics and trade, politics, international affairs, and defense. *Id.* at 2-7; Ex. H. Australia has long been an ally and staunch supporter of the United States, having fought beside the U.S. in every significant conflict from World War I to the present time. Ex. G at 5. The Australia, New Zealand, United States (ANZUS) security treaty remains in effect, and commits the signatories to collective defense in the Pacific region. *Id.* at 6. The Australian political parties favor its alliance with the United States. *Id.* at 4; Ex. U. As part of the mutual commitment to defense, Australia and the U.S. engage in joint military planning, training, and exercises. Ex. G at 6. Australian and U.S. defense industries have teamed up to produce military weapon systems. *Id.* at 6-7.

As part of the cooperation between the U.S. and Australia in matters of defense, the two countries share intelligence information. This includes information known as signals intelligence, or "SIGINT," a term referring to the collection of intelligence information by intercepting and analyzing communications signals from foreign countries. Ex. C. The National Security Agency (NSA) is responsible for SIGINT for the United States (Ex. D), while the Defence Signals Directorate (DSD) is Australia's national authority for signals intelligence (Ex. F).

Experts in this area have speculated about extensive, formalized agreements between the U.S. and Australia relating to the collection and sharing of SIGINT materials. Ex. E at 1, 3-4. I make no specific findings about the nature or extent of any agreements between the U.S. and Australia regarding SIGINT, but find the countries cooperate extensively in this area.

While attending college from 1965 to 1969, Applicant worked during the summers for an Australian defense contractor and for the Australian government on defense-related projects involving electronic warfare. Ex. B at 2-3; Tr. at 23. Applicant was graduated from an Australian university in 1969. Ex. B at 2-3. He has a degree in science and a degree in engineering. Tr. at 20.

In 1970, Applicant began working as a scientific officer for the government of Australia in an organization conducting weapons research. *Id.* In 1974 he was confirmed as a research scientist for that organization. Ex. B at 2-3.

He was married in 1973. Ex. 3 at 4. His wife was a citizen and resident of Australia. One child was born of the marriage in 1980. *Id.* at 4.

In 1975, Applicant received a scholarship for postgraduate studies. *Id.* He attended an Australian university from 1975 to 1978, and was awarded a Ph.D. in mathematics in 1979. *Id.*; Ex. 3 at 2.

After receiving his Ph.D., Applicant worked as a research scientist for the Australian Department of Defence in an electronics research laboratory from about 1978 to 1984. Ex. 3 at 6. Between 1984 and 1993, Applicant worked for several Australian defense contractors (including an Australian subsidiary of a U.S. defense contractor) on research and technical development projects. Tr. at 28-29. Exhibits A and B detail some of the projects with which Applicant was involved. Many of these were classified projects related to SIGINT for Australia and the U.S. Between 1986 and 1989, Applicant worked part-time in the United States and part-time in Australia. Ex. 4 at 8. Applicant also served on the advisory board of an Australian university. Ex. A at 4.

To perform his duties for the Australian government and its defense contractors, Applicant received a Top Secret security clearance from Australia in 1972. Tr. at 24. Many of the projects were developed in cooperation with the governments of Australia and the U.S. Tr. at 25. Applicant's Australian security clearance was recognized and honored by the Australian and U.S. intelligence communities, including the DSD and NSA. Ex. 4 at 7; Tr. at 24. Both the DSD and NSA granted Applicant access to special classified information for a particular project. Ex. 3 at 7; Tr. at 29-30, 98. Applicant executed a formal nondisclosure agreement with the U.S. and obtained access to the information. Tr. at 80-81. Applicant's Top Secret clearance extended from 1972 until 1994. Tr. at 31.

In 1994, Applicant immigrated to the United States and began working for a U.S. defense contractor, serving as a consultant on work in Mexico. Ex. 3 at 9. He also began serving as an adjunct professor in the Electrical and Computer Engineering Department for a U.S. university. *Id.*; Ex. O. Applicant applied for permanent residency at the first opportunity. Because of Applicant's extraordinary qualifications and unique abilities, representatives from the NSA and the university asked the Immigration and Naturalization Service (INS) to expedite approval of his request. Ex. I; Ex. O. The INS granted Applicant permanent resident status in late 1995. Ex. 4 at 7. As a resident alien, Applicant retained and renewed his Australian passport, and used it for personal and business travel. Ex. 4 at 5-6.

In 1996, Applicant was divorced. In August 2000, Applicant married for the second time. Ex. 3 at 3. His wife is a native-born citizen and resident of the U.S. Ex. 3 at 3.

In 2000, Applicant applied for U.S. citizenship, and it was granted in November 2002. Ex. 3 at 1. When Applicant obtained U.S. citizenship, he believed he would be required to relinquish his Australian citizenship and was expecting to do so. Tr. at 89. However, after he submitted his application and before it was approved, Australian law changed to permit dual citizenship. Tr. at 88. Also, he subsequently learned that U.S. law did not require him to renounce his Australian citizenship. Tr. at 89. Applicant elected to retain dual citizenship to retain his rights to: receive Australian medical benefits and a retirement pension (similar to Social Security); reside in Australia more than six months each year; and to purchase certain real property. Ex. 4 at 1-2. Additionally, his official travels took him to Israel and other countries in the Middle East, and having two passports made it possible to enter certain countries without presenting a passport bearing visas from Israel, which could present problems. *Id.* at 5.

Applicant obtained a U.S. passport in November 2002, and used it to travel to Australia that month. Ex. 3 at 4. Upon returning to the U.S. two weeks later, he presented his Australian passport thinking he could get through customs more quickly, however he was stopped and questioned by customs officials about using a different passport for reentry. *Id.* at 4.

Since that time, Applicant renounced his dual citizenship and returned his Australian passport. Ex. J; Ex. K. He has worked in the U.S. as a citizen long enough to qualify for Social Security benefits, therefore he no longer requires the backup provided by his Australian benefits. Ex. N; Tr. at 51-52. He cashed in his pension in Australia and moved the funds to the United States. Tr. at 53.

Applicant resides in the U.S. with his wife, who is also a U.S. citizen. Ex. 3 at 1, 3. His wife has strong family ties in the U.S. Tr. at 97.

Applicant's father is deceased. Ex. 3 at 4. His mother is a citizen and resident of Australia. *Id.* At the time of the hearing, she was 87 years old and gravely ill. Ex. 4 at 11. She lived in a nursing home and was in a persistent non-responsive state. Tr. at 65.

Applicant's daughter is a citizen and resident of Australia. Ex. 4 at 11; Tr. at 69. She works as a research officer in the DSD, and has held a Top Secret security clearance since 2002. Tr. at 69. Applicant's daughter made a presentation at NSA shortly before the hearing. Tr. at 72. Applicant believes his daughter's clearance is recognized by the DSD and NSA. *Id.* They both recognize that they cannot discuss their work with each other. Tr. at 73-76.

Applicant's sister is an Australian citizen, and works in a clerical position in the Social Security Administration for Australia. Ex. 4 at 11; Tr. at 66. Applicant contacts his sister about once every three months, principally to inquire about his mother's health and financial affairs. Tr. at 96.

When Applicant immigrated to the U.S. he owned a house in Australia. Tr. at 91. After he became a U.S. citizen, he purchased a condominium near the beach in an Australian resort area, which he rented out. Ex. 4 at 2. Applicant originally intended to keep the condominium as an investment and to use it as a vacation home, but has made arrangements to sell the property to alleviate security concerns. Ex. M. At the time of the hearing, Applicant also had made arrangements to sell the house. Ex. L.

Most of Applicant's financial assets are in the United States. He owns a home on the water in a major U.S. city with substantial equity in the property. Tr. at 95. He also has significant funds in a 401(k) account in the U.S. *Id.* Additionally, Applicant's wife has a large 401(k) plan, and together they have substantial investments in the United States. Tr. at 95.

Applicant maintains some contact with friends in Australia. He corresponds with his former supervisor from the Australian Department of Defence about once or twice every six months. Ex. 4 at 10; Tr. at 67. Applicant's former supervisor also held very high-level security clearances, but is now retired.

Applicant also maintains some contact with another friend, also a retired co-worker in the Australian Department of Defence. Ex. 4 at 10. At the time of the hearing, Applicant corresponded with his friend by e-mail about once each year. Tr. at 68.

Applicant's friends and co-workers attest to his character and integrity, and recommend him for positions of special trust. Tr. at 104, 122; Exs. R, S, and T.

POLICIES

The President has "the authority to . . . control access to information bearing on national security and to determine whether an individual is sufficiently trustworthy to occupy a position … that will give that person access to such information." *Department of the Navy v. Egan*, 484 U.S. 518, 527 (1988). In Executive Order 10865, *Safeguarding Classified Information Within Industry* (Feb. 20, 1960), the President set out guidelines and procedures for safeguarding classified information within the executive branch.

To be eligible for a security clearance, an applicant must meet the security guidelines contained in the Directive. Enclosure 2 of the Directive sets forth personnel security guidelines, as well as the disqualifying conditions and mitigating conditions under each guideline. The adjudicative guidelines at issue in this case are:

Guideline B, Foreign Influence: A security risk may exist when an individual's immediate family, including cohabitants, or other persons to whom he may be bound by affection, influence, or obligation, are not citizens of the United States or may be subject to duress. These situations could create the potential for foreign influence that could result in the compromise of classified information. Contacts with citizens of other countries or financial interests in other countries are also relevant to security determinations if they make an individual potentially vulnerable to coercion, exploitation, or pressure. Directive, ¶ E2.A2.1.1.

Guideline C, Foreign Preference: When an individual acts in such a way as to indicate a preference for a foreign country over the United States, then he or she may be prone to provide information or make decisions that are harmful to the interests of the United States. Directive, ¶ E2.A3.1.1.

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

On August 16, 2000, the Assistant Secretary of Defense, Command, Control, Communications, and Intelligence (ASD/C3I) issued a passport policy clarification pertaining to Adjudicative Guideline C, Foreign Preference. The memorandum states, in pertinent part:

The purpose of this memorandum is to clarify the application of Guideline C to cases involving an applicant's possession or use of a foreign passport. The guideline specifically provides that "possession and/or use of a foreign passport" may be a disqualifying condition. It contains no mitigating factor related to the applicant's personal convenience, safety, requirements of foreign law, or the identity of the foreign country. The only applicable mitigating factor addresses the official approval of the United States Government for the possession or use. The security concerns underlying this guideline are that the possession and use of a foreign passport in preference to a U.S. passport raises doubt as to whether the person's allegiance to the United States is paramount and it could also facilitate foreign travel unverifiable by the United States. Therefore, consistent application of the guideline requires that any clearance be denied or revoked unless the applicant surrenders the foreign passport or obtains official approval for its use from the appropriate agency of the United States Government. odification of the Guideline is not required.

"The adjudicative process is an examination of a sufficient period of a person's life to make an affirmative determination that the person is eligible for a security clearance." Directive, ¶ E2.2.1. An administrative judge must apply the "whole person concept," and consider and carefully weigh the available, reliable information about the person. *Id.* An administrative judge should consider the following factors: (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 voluntariness of participation; (6) the

presence or absence of rehabilitation and other pertinent 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. *Id.*

Initially, the Government must present evidence to establish controverted facts in the SOR that disqualify or may disqualify the applicant from being eligible for access to classified information. Directive, ¶ E3.1.14. Thereafter, the applicant is responsible for presenting evidence to rebut, explain, extenuate, or mitigate the facts. Directive, ¶ E3.1.15. 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). "Any doubt as to whether access to classified information is clearly consistent with national security will be resolved in favor of the national security." Directive, ¶ E2.2.2.

A person granted access to classified information enters into a special relationship with the government. The government must be able to repose a high degree of trust and confidence in those individuals to whom it grants access to classified information. The decision to deny an individual a security clearance is not a determination as to the loyalty of the applicant. Exec. Ord. 10865, § 7. It is merely an indication that the applicant has not met the strict guidelines the President has established for issuing a clearance.

CONCLUSIONS

I considered carefully all the facts in evidence and the legal standards discussed above. I reach the following conclusions regarding the allegations in the SOR.

Guideline B, Foreign Influence

Paragraph E2.A2.1.2.1 of the Directive provides that it may be disqualifying if "an immediate family member, or a person to whom the individual has close ties of affection or obligation, is a citizen of, or resident or present in, a foreign country." Paragraph E2.A2.1.3.1 defines "immediate family members" to include a spouse, father, mother, sons, daughters, brothers, and sisters. Applicant's mother, daughter, and sister are "immediate family members," and all three are citizens and residents of Australia. Additionally, Applicant has close ties of affection with two old friends who are citizens and residents of Australia. Thus, this potentially disqualifying condition applies.

Paragraph E2.A2.1.2.3 of the Directive states that it may be disqualifying where an applicant has "[r]elatives . . . or associates who are connected with any foreign government." Applicant's daughter and sister are employed by the government of Australia, and two close friends with whom he maintains contact are retirees from the Australian government. I find this potentially disqualifying condition is raised.

Under ¶ E2.A2.1.2.8 of the Directive, it may be disqualifying where an applicant has "[a] substantial financial interest in a country . . . that could make the individual vulnerable to foreign influence." At the time of the hearing, Applicant owned a house and a condominium in Australia worth a substantial amount. Applicant has financial accounts in Australia which are small in comparison to his U.S. holdings, but are worth an appreciable sum. I find this potentially disqualifying condition applies.

Under the Directive, potentially disqualifying concerns can be mitigated under certain conditions. It is potentially mitigating where the "immediate family member(s), cohabitant, or associate(s) in question are not agents of a foreign power or in a position to be exploited by a foreign power in a way that could force the individual to choose between loyalty to the person involved and the United States." Directive, ¶ E2.A2.1.3.1.

The phrase "agent of a foreign power" is defined by 50 U.S.C. § 1801(b), to include anyone who acts as an officer or employee of a foreign power engaged in international terrorism, or engages in clandestine intelligence activities in the U.S. contrary to the interests of the U.S. or that may involve a violation of the criminal statutes of the United States. Applicant's daughter is a foreign intelligence officer, but she does not engage in international terrorism, she does not work in the United States, and her intelligence collecting activities do not violate the criminal statutes of the U.S. None of Applicant's relatives meet the definition of "agent of a foreign power" under 50 U.S.C.A. § 1801(b).

The Appeal Board, however, has adopted a broader definition of the phrase "agent of a foreign power." The Appeal Board has held that, "An employee of a foreign government need not be employed at a high level or in a position involving intelligence, military, or other national security duties to be an agent of a foreign power for purposes of Foreign Influence Mitigating Condition 1." ISCR Case No. 02-24254,2004 WL 2152747 (App. Bd. June 29, 2004). *See also* ISCR Case No. 03-04090, at 5 (App. Bd. March 3, 2005) (employee of the Israeli government is an agent of a foreign power) and ISCR Case No.02-29143, at 3 (App. Bd. January 12, 2005) (a member of a foreign military is an agent of a foreign power). Research does not reveal any case in which the Appeal Board examined 50 U.S.C. § 1801(b), or explained why the statutory definition of what would appear to be a term of art should not be applied under this guideline. Although the Appeal Board has addressed this guideline many times, none of the decisions share any insight into why the drafters of the guideline would use the artful-sounding phrase "agent of a foreign power" if they meant "government employee." Nonetheless, we are bound by the Appeal Board's interpretation of this phrase unless it is overturned by a superior authority. Both Applicant's daughter and sister are employed by the Australian government, therefore both would be "agents of a foreign power" under the Appeal Board's expansive definition of that phrase. I must find that Applicant has not met the first prong of mitigating condition 1. If I applied the definition in 50 U.S.C. § 1801, Iwould find otherwise.

The second prong of mitigating condition 1 concerns whether Applicant's relatives are in a position to be exploited by a foreign power. In assessing whether an applicant's relatives are vulnerable to foreign exploitation, it is helpful to consider several factors, including the character of the government of the relevant foreign country. Australia is a democratic country with a well-developed system of law committed to the protection of individual rights. It is significant, although not determinative, that Australia has excellent relations with the United States. ISCR Case No. 02-

11570 at 5 (App. Bd. May 19, 2004). Under the circumstances, the possibility that a "foreign power" in Australia would attempt to exploit or pressure Applicant's relatives to force Applicant to act adversely to the interests of the United States is remote.

It is also important to consider the vulnerability to exploitation of Applicant's relatives and associates in Australia. Applicant's mother is in exceedingly poor health and thus is in a very vulnerable position. Applicant's daughter and sister are government employees and dependent upon the government for their employment. Setting aside the question of whether Australia would attempt such influence, the family members are in vulnerable positions. Weighing all these factors, I conclude the mitigating condition set out in ¶ E2.A2.1.3.1 of the Directive does not apply.

Under ¶ E2.A2.1.3.3 of the Directive, it may also be mitigating where "[c]ontact and correspondence with foreign citizens are casual and infrequent." Normally, it may be presumed that contact with immediate family members is not casual. However, as the Appeal Board has observed, "Nothing in the plain language of Foreign Influence Mitigating Condition 3 precludes its application to an applicant's immediate family members. See, e.g., ISCR Case No. 98-0592 (May 4, 1999) at p. 7." ISCR Case No. 00-0484 (Appeal Board, Feb 1, 2002). Here, Applicant has a very close relationship with his daughter, and undoubtedly has close bonds of affection for his mother, sister, and old friends. This potentially mitigating condition does not apply.

Paragraph E2.A2.1.3.5 of the Directive applies where "[f]oreign financial interests are minimal and not sufficient to affect the individual's security responsibilities." Applicant's financial interests in real estate and investments in Australia are worth a substantial sum, even though it is considerably less than the value of his holdings in the U.S.; therefore I find that his holdings are not minimal. However, his financial interests in the U.S., including his present salary, his real estate holdings, his investments, and his right to regular income from his U.S. social security benefits, greatly exceeds his foreign interests. In this case, I conclude Applicant's foreign financial interests are not sufficient to affect his security responsibilities.

I considered carefully all the potentially disqualifying and mitigating conditions in light of the "whole person" concept, keeping in mind that any doubt as to whether access to classified information is clearly consistent with national security must be resolved in favor of the national security. Applicant is a U.S. citizen by choice, and has lived in this country for more than 10 years. His closest relation is his wife, who is a citizen and resident of the United States. He has substantial assets in this country, including real estate, investments, and social security retirement benefits. His professional standing is within the narrow field of defense contractors who support the U.S. and Australian defense industry. Applicant has worked for defense contractors supporting U.S. interests for over 30 years, and has held a security clearance for over 20 years, including periods with special access to compartmented information. Applicant was entrusted with classified U.S. intelligence information when he was an Australian citizen-he is no less trustworthy now that he is a U.S. citizen, with greater ties to this country. Considering his integrity, loyalty, and dedication, Applicant is not vulnerable to exploitation or duress applied through his relatives and associates in Australia. I conclude Applicant has mitigated the potential security concerns arising from his immediate family members and financial assets in Australia.

Guideline C, Foreign Preference

The Directive sets out circumstances that could indicate a disqualifying foreign preference. Under ¶ E2.A3.1.2.1, "[t]he exercise of dual citizenship" may be disqualifying. Similarly, ¶ E2.A3.1.2.2 indicates that the "[p]ossession and use of a foreign passport" may show a potentially disqualifying foreign preference. In about November 2002, shortly after becoming a U.S. citizen, Applicant used his Australian passport to travel from Australia to the U.S. The use of a foreign passport is an exercise of the rights and privileges of a citizen of that foreign country. ISCR Case No. 98-0252 at 7-8 (App. Bd. Sept. 15, 1999). The evidence raises these two potentially disqualifying conditions.

Another indicator of a possible foreign preference is "using foreign citizenship to protect financial or business interests in another country." Directive, ¶ E2.A3.1.2.6. After becoming a U.S. citizen, Applicant used his status as a dual citizen of Australia to purchase certain real estate in Australia that would not be otherwise available for purchase by a non-citizen, and to continue his eligibility for Australian social security benefits until he was eligible for U.S. benefits. This raises another potentially disqualifying condition.

The Directive also sets out conditions that could mitigate security concerns related to foreign preference. Under ¶ E2.A3.1.3.1, it may be mitigating where "[d]ual citizenship is based solely on parents' citizenship or birth in a foreign country." Applicant became a citizen of Australia because of his birth in that country. However, after becoming a U.S. citizen he elected to retain his Australian citizenship, and exercised the rights of his citizenship. I conclude this potentially mitigating condition does not apply.

It may also be mitigating where the activity in question is "sanctioned by the United States." Directive, ¶ E2.A3.1.3.3. The law of the United States does not prohibit a U.S. citizen from holding a foreign passport; however, recognizing that it is lawful is not the same as sanctioning the practice. Here, the United States did not direct, request, or require Applicant to keep his foreign passport. I conclude this mitigating condition does not apply.

Finally, it may be mitigating where an "[i]ndividual has expressed a willingness to renounce dual citizenship." Applicant renounced his Australian citizenship unequivocally and returned his passport to that country. Exs. J and K. Moreover, he has chosen to live in the United States, his wife is a U.S. citizen, he has risen to a position of prominence in his career field with a U.S. defense contractor, and he has most of his financial assets here. I conclude this mitigating condition applies.

I carefully considered all the potentially disqualifying and mitigating conditions in light of the "whole person"concept. I conclude that Applicant has mitigated the security concerns arising from his previous exercise of dual citizenship and possession of a foreign passport.

FORMAL FINDINGS

My conclusions as to each allegation in the SOR are:

Paragraph 1, Guideline C: FOR APPLICANT

Subparagraph 1.a: For Applicant

Subparagraph 1.b: For Applicant

Subparagraph 1.c: For Applicant

Paragraph 2, Guideline B: FOR APPLICANT

Subparagraph 2.a: For Applicant

Subparagraph 2.b: For Applicant

Subparagraph 2.c: For Applicant

Subparagraph 2.d: For Applicant

Subparagraph 2.e: For Applicant

DECISION

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

Michael J. Breslin

Administrative Judge