



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



In the matter of:)	
)	
-----)	ISCR Case No. 08-03643
SSN: -----)	
)	
Applicant for Security Clearance)	

Appearances

For Government: Melvin A. Howry, Esquire, Department Counsel
For Applicant: *Pro Se*

April 23, 2009

Decision

HOWE, Philip S., Administrative Judge:

On October 28, 2005, Applicant submitted his Security Clearance Application (SF 86). On November 20, 2008, the Defense Office of Hearings and Appeals (DOHA) issued Applicant a Statement of Reasons (SOR) detailing security concerns under Guideline F (Financial Considerations) and Guideline B (Foreign Influence). The action was taken under Executive Order 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended; Department of Defense Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended (Directive), and the revised adjudicative guidelines (AG) promulgated by the President on December 29, 2005, and effective within the Department of Defense for SORs issued after September 1, 2006.

Applicant answered the SOR in writing on December 15, 2008. He requested his case be decided on the written record in lieu of a hearing.

On February 12, 2009, Department Counsel submitted the Department's written case. A complete copy of the file of relevant material (FORM) was provided to the

Applicant. He was given the opportunity to file objections and submit material in refutation, extenuation, or mitigation. Applicant received the file on February 20, 2009. Applicant filed a response to the FORM on March 10, 2009, within the 30 day time allowed that would have expired on March 20, 2009. The Department Counsel had no objection to the additional documents Applicant submitted being added to the FORM package. I received the case assignment on April 8, 2009. Based upon a review of the case file, pleadings, exhibits, and testimony, eligibility for access to classified information is denied.

Procedural and Evidentiary Rulings

Request for Administrative Notice

Department Counsel submitted a formal request that I take administrative notice of certain facts relating to Japan. The request and the attached documents were not admitted into evidence but were included in the record as Item 14. The facts administratively noticed are set out in the Findings of Fact, below.

Department Counsel also requests I take administrative notice of the Equifax Training Brochure, which explains how to read Equifax credit reports (Item 12).

Findings of Fact

In his Answer to the SOR, dated December 15, 2008, Applicant admitted the factual allegations in the SOR, with explanations. He also provided additional information to support his request for eligibility for a security clearance.

Applicant is 41 years old, and married to his second wife since July 2002. His wife is a Japanese national. Applicant lives with his wife and his two children in Japan, where he works for a defense contractor. He did not present information regarding when he moved to Japan or why he did so. Applicant's first wife is a German national, from whom he is divorced. He married his first wife in 1987 and divorced in 1989. Applicant's children were born in 1993 and 1996 in the United States. Applicant fathered two children by a girlfriend whom he never married. He was ordered to pay \$606 monthly for child support from 1995 onward. According to Applicant's subject interview in September 2007, his child support obligation stopped in September 2007, and he no longer owes any child support money. Applicant has custody of his two children now, and they live in Japan with him. Applicant's wife's parents live in Japan and are citizens of that country. (Items 3 and 5)

Applicant has 10 delinquent debts listed in the SOR. The total amount of money owed is \$52,882. He resolved all but \$1,049 of the minor debts through payment in full or installment payment agreements, albeit recently. Applicant asserted he could not pay these debts previously because of his lower salaries and child support obligations. His pay stubs from 2001 through 2003, samples of which he submitted, showed Applicant

earned about \$30,000 annually (Item 3). Applicant did not present any documentary evidence of his current salary. The current status of each debt is as follows:

1. A medical debt for \$45 (Subparagraph 1.a). This debt dates from September 2005. Applicant claims this debt should have been paid by the person who assaulted him in 2000. The assault occurred when Applicant returned the two children to their mother after a visit, and he was attacked by the former girlfriend's new boyfriend. The police were summoned and the attacking boyfriend was arrested. According to Applicant, the perpetrator was found guilty of assault and battery, and he was ordered to pay Applicant's medical bills. He did not explain anything about the assault and its effect on his earning capacity. Applicant paid it on February 24, 2009, in the amount of \$88.72. He submitted a letter from the creditor verifying the payment. (Answer, FORM Response, Items 3, 6-11)

2. A medical debt for \$489 (Subparagraph 1.b). This debt became delinquent in November 2005. Applicant claims this debt should be paid by the person who assaulted him in 2000. It remains unpaid, although Applicant recently paid another medical bill resulting from the same assault. (FORM Response, Items 3, 6-11)

3. A medical bill for \$98 resulting from the same assault in 2000 (Subparagraph 1.c). This debt became delinquent in November 2004. Applicant now asserts he disputes this debt because it is listed as an "Unknown Creditor Named" on credit reports included in the FORM as Items 6 and 8. The debt has existed since November 2004. Item 7 does not list a name for the collection agency. The SOR does not list the debt as owed to an unknown creditor. Applicant's answer to the DOHA Interrogatories of September 25, 2008, lists this debt as arising from the 2000 assault. It remains unpaid. (FORM Response, Items 3, 6-11)

4. The SOR alleges that Applicant owes \$462 to the state taxing authority on a speeding ticket issued in the state where he lived previously in the United States (Subparagraph 1.d), \$2,535 to the same state taxing authority for state income tax owed from an undisclosed tax year, possibly 1994 (Subparagraph 1.i), and \$4,743 also to the same state taxing authority in state income tax for another tax year which was undisclosed in the file documents, possibly 1996, according to the personal subject interview included in Item 10 (Subparagraph 1.j). Applicant has not submitted proof the decade-old speeding ticket was paid. Tax liens were filed against Applicant by the state authority in November 2006 for some previous years' tax liabilities. Those taxes have now been paid, and the liens released. Applicant sent copies of the lien releases, recorded in January 2009. Applicant claims he failed to file his state income tax forms with the form used to show his income was earned outside the continental United States, mistakenly thinking the filing of only the federal tax form would be sufficient to absolve him of any state tax liability under the law. Applicant did not submit any evidence that he worked outside the United States in 1995 or 1996, nor when he started working outside the United States, to be able to avail himself of this provision of the U.S. Tax Code. (FORM Response, Items 3-11)

5. Applicant has a \$50 debt to a video company (Subparagraph 1.e) dating from May 2004. Applicant paid this debt on March 3, 2009. He sent a copy of the letter from the creditor as evidence the debt was paid. (FORM Response, Items 3-11)

6. Applicant owes \$169 to a collector for a telephone bill (Subparagraph 1.f) dating from 2002. Applicant paid this debt on February 25, 2009, and included a letter from the collector evidencing this payment in full. (FORM Response, Items 3-11)

7. Applicant owes the U.S. Department of Education about \$44,000 total for two student loans (Subparagraphs 1.g and 1.h) according to the February 2009 credit report. These loans were opened in 1991, and were delinquent by September 2005. Applicant obtained an Associate's of Arts degree in 1993. He did not repay the loans because he never made more than \$10 per hour, and could not repay them. Applicant reports in the FORM Response that on January 28, 2009, he contracted with a debt collection service to repay his student loans. Applicant did not include a copy of the agreement with the company. He did include a copy of his bank statement showing one \$365 payment to the Department of Education on January 28, 2009. His FORM Response is dated March 7, 2009, and did not provide evidence of any payments after January 28, 2009. (FORM Response, Items 3-11)

Applicant borrowed \$30,899 in July 2006 from a credit union to purchase a car. Applicant made this purchase while owing the state income taxes and his student loans. Applicant did not provide information on the make or model of car he purchased. The balance owed in February 2009 is \$19,757. On the March 2007 credit report the balance is listed as \$28,466. Applicant makes regular payments on this loan. He also owes \$12,075 as of February 2009, to the same credit union on a credit card. An unsecured loan balance owed to the same credit union in February 2009 by Applicant is \$7,421. His child support obligation from May 2002 is listed as \$3,656 on the February 2009 credit report, and \$6,992 on the March 2007 credit report. Applicant's Answer to the SOR includes a credit union account statement from December 2008. That statement shows no money in Applicant's money market savings account, and money in his checking account. The statement lists Applicant's car loan, credit card debt, and his signature loan balances, for a total owed to that credit union of \$40,358.70. The credit report of July 2008 shows Applicant's "grand total" of debt as \$90,808. The February 2009 credit report shows the total amount owed as \$91,779. (Items 3-11)

Applicant's wife has a "green" immigration card. She is currently a citizen and resident of Japan. Her parents are currently citizens of and residents of Japan. (Answer, Item 5)

I take administrative notice of the following facts regarding Japan. It is a constitutional monarchy with an elected national legislature, a prime minister as the head of government, and a hereditary emperor as the chief of state. Japan is located in the northern Pacific Ocean area on a series of islands. For several centuries, Japan closed itself off to the world. In the middle and last part of the 19th Century, Japan

opened its borders to commerce with the world, particularly the United States and Western Europe. It was never colonized by any nation. In 1905, it defeated the Russian Empire in a naval war in the Pacific after it built a modern navy. In World War I it fought on the side of the United States and the Allied Powers to defeat Germany and its allies. In World War II it attacked the U.S. Naval Base at Pearl Harbor, Hawaii, in a sneak attack, sinking several battleships and other Navy vessels, destroying aircraft, and killing about 3,000 Americans. That attack launched World War II in the Pacific. In August 1945 the United States and its allies defeated Japan, which surrendered unconditionally. Since then Japan has renounced war as an instrument of national policy, and formed a self-defense force for its own protection. Japan has developed a healthy democratic government. It is a large trading partner with the United States and the world. Now, Japan is considered an ally of the United States.

Japan has economic and foreign policy issues which are the subject of its government's attention. Its economy has stagnated growth for the past decade. Japan and China have residual issues from World War II when they were opponents. The two Koreas have various issues resulting from Japan's occupation of the Korean Peninsula from 1910 to 1945, and more recent issues with North Korea regarding the kidnapping from Japan of Japanese women. Japan also has internal discussions regarding possible amendments to its U.S. written 1946 Constitution. These discussions pertain to Constitutional provisions controlling its Self-Defense Forces and engagement in collective security arrangements. The amendments would allow Japan to expand its military forces and allow participation in collective security organizations.

The U.S. Government lists Japan as one of the top 12 countries which engage in industrial espionage. It is also one of the top five nations requesting access to DoD and industrial facilities in the United States. Japanese automobile manufacturers also have a large presence in the United States, having decreased the market share of U.S. manufacturers and forcing them to shrink their work forces as the U.S. manufacturers restructure themselves for the 21st Century marketplace. (Item 14)

The credit report training brochure explains the various contractions and abbreviations on the Equifax credit report forms. The February 11, 2009, credit report shows Applicant owes \$91,779 as the grand total for his two education loans, a car loan, two credit cards, child support arrearages from the time his former wife had custody of their two children, and a personal loan. Applicant makes payments on all loans. The SOR referred to \$12,000 of other debt which Applicant has resolved. The July 24, 2008, credit report compared to the later report shows a decrease in balances on the various loans owed by Applicant, except the student loans which he is now resolving. Applicant did not disclose his income, except to declare his current employment pays him more than past jobs did. (Items 3, 9, 11 and 12)

Policies

When evaluating an applicant's suitability for a security clearance, the administrative judge must consider the revised adjudicative guidelines (AG). In addition

to brief introductory explanations for each guideline, the adjudicative guidelines list potentially disqualifying conditions and mitigating conditions, which are useful 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 over-arching adjudicative goal is a fair, impartial and common sense 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 avoided drawing inferences grounded on mere speculation or conjecture.

Under Directive ¶ E3.1.14, the Government must present evidence to establish controverted facts alleged in the SOR. Under Directive ¶ E3.1.15, "The 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 as to obtaining 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 protect or safeguard classified information. Such decisions entail a certain degree of legally permissible extrapolation as to 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 F, Financial Considerations

The security concern relating to the guideline for Financial Considerations is set out in AG ¶ 18:

Failure or inability 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 information. An individual who is financially overextended is at risk of having to engage in illegal acts to generate funds.

The guideline notes several conditions that could raise security concerns. Under AG ¶ 19(a), an "inability or unwillingness to satisfy debts" is potentially disqualifying. Similarly under AG ¶ 19(c), "a history of not meeting financial obligations" may raise security concerns. Applicant accumulated substantial delinquent debt between 1996 and 2005 and was unable or unwilling to pay those obligations until recently. He paid only the small obligations after the SOR was issued. He failed to pay his delinquent debts while incurring another \$40,358.70 in debt after he moved to Japan. The evidence is sufficient to raise these potentially disqualifying conditions.

The guideline also includes examples of conditions that could mitigate security concerns arising from financial difficulties. Under AG ¶ 20(a), the disqualifying condition may be mitigated where "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." Applicant's financial worries arose in 1996 with the income tax liabilities for which liens were filed by the state government where he lived. He continued to incur debt, which he did not repay, including the \$44,000 in student loans that became due in 2005. He took no action to resolve these debts until 2009. The evidence does not raise this potentially mitigating condition because the situation is current, and Applicant, who has the burden of proof, has shown he added more debt to his balance sheet. His current debt load is high, and without copies of his income statements and a current budget it is difficult to conclude his financial situation will not recur.

Under AG ¶ 20(b), it may be mitigating where "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), and the individual acted responsibly under the circumstances." Applicant did not present facts to show this mitigating condition has any applicability. His divorce was in 1989. No unemployment periods and income information were presented. He did not meet his burden of proof regarding this mitigating condition. I find this potentially mitigating condition is not a factor for consideration in this case.

Evidence that “the person has received or is receiving counseling for the problem and/or there are clear indications that the problem is being resolved or is under control” is potentially mitigating under AG ¶ 20(c). Applicant did not present any evidence of counseling, except to state his education loans were to be handled by a debt management company that he engaged in early 2009. He did not submit the contract with that company, nor did he provide any information about any counseling as a component of that company’s work for him. This mitigating condition is not applicable.

Similarly, AG ¶ 20(d) applies where the evidence shows “the individual initiated a good-faith effort to repay overdue creditors or otherwise resolve debts.” Applicant resolved seven of the delinquent debts, either by payment or installment payment agreements. He failed to resolve three of the minor debts, totaling \$1,049 (Subparagraphs 1.b, 1.c, and 1.d). These debts are minor in comparison to his total debt load, and can be resolved quickly by payment. However, he did not resolve his large student loan debt while at the same time borrowing over \$40,000 for a car, credit card purchases, and on a personal loan. While he is making regular payments on these debts, he ignored his preceding delinquent debts. I conclude this potentially mitigating condition does not apply to Applicant’s irresponsible actions.

AG ¶ 20 (e) contemplates for applicability that “the individual has a reasonable basis to dispute the legitimacy of the past-due debt which is the cause of the problem and provides documented proof to substantiate the basis of the dispute or provides evidence of actions to resolve the issue.” Applicant did not submit any evidence that he has a legitimate basis for disputing any of the unresolved or unpaid debts. While he claims one debt is listed on the latest credit report as being owed to an unnamed creditor, he acknowledged in his interrogatories that it was a medical debt resulting from treatment he received after an assault in 2000. Applicant needs to be more diligent in identifying this creditor through the credit reporting agencies, and paying this debt. This mitigating condition is not applicable.

The final mitigating condition, AG ¶ 20 (f), requiring “the affluence resulted from a legal source of income,” is not applicable because Applicant has not shown any affluence.

The burden of proof and persuasion is on Applicant to show any or all of the mitigating conditions should apply. Applicant failed to submit persuasive explanations of financial activities from 1996 to the present. He did not explain why or when he moved to Japan, or what his current salary is or has been since he moved there. He did not submit any evidence explaining why he did not repay his delinquent debts before 2009 while buying a new car for over \$30,000 in 2006, and at the same time running up a credit card bill of more than \$12,000, which will take some years to repay. Both debts are owed to the same credit union. Clearly, Applicant has not made full disclosure about his finances, the events of the past decade which caused his current situation, and has failed in his burden because these gaps in his presentation are too massive to persuade

me otherwise. He ignored his delinquent debts until the SOR was issued. That is not the action of a trustworthy and reliable person exercising good financial judgment.

Guideline B, Foreign Influence

AG ¶ 6 expresses the security concern regarding foreign influence:

Foreign contacts and interests may be a security concern if the individual has divided loyalties or foreign financial interests, may be manipulated or induced to help a foreign person, group, organization, or government in a way that is not in U.S. interests, or is vulnerable to pressure or coercion by any foreign interest. Adjudication under this Guideline can and should consider the identity of the foreign country in which the foreign contact or financial interest is located, including, but not limited to, such considerations as whether the foreign country is known to target United States citizens to obtain protected information and/or is associated with a risk of terrorism.

AG ¶ 7 describes conditions that could raise a security concern and may be disqualifying:

(a) contact 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;

(b) connections to a foreign person, group, government, or country that create a potential conflict of interest between the individual's obligation to protect sensitive information or technology and the individual's desire to help a foreign person, group, or country by providing that information;

(c) counterintelligence information, that may be classified, indicates that the individual's access to protected information may involve unacceptable risk to national security;

(d) sharing living quarters with a person or persons, regardless of citizenship status, if that relationship creates a heightened risk of foreign inducement, manipulation, pressure, or coercion;

(e) a substantial business, financial, or property interest in a foreign country, or in any foreign-owned or foreign-operated business, which could subject the individual to heightened risk of foreign influence or exploitation;

(f) failure to report, when required, association with a foreign national;

(g) unauthorized association with a suspected or known agent, associate, or employee of a foreign intelligence service;

(h) indications that representatives or nationals from a foreign country are acting to increase the vulnerability of the individual to possible future exploitation, inducement, manipulation, pressure, or coercion; and,

(i) conduct, especially while traveling outside the U.S., which may make the individual vulnerable to exploitation, pressure, or coercion by a foreign person, group, government, or country.

Three of these disqualifying conditions, AG ¶ 7 (a), (d), and (e), have applicability on these facts. Applicant lives with his wife, a Japanese national with a “green” card. This relationship could create a heightened risk of foreign exploitation, inducement, manipulation, pressure or coercion because Applicant may want to bring his wife to the United States at some time in the future. Her parents live in Japan, and the same concerns for his wife apply to her parents. Furthermore, Applicant has a greater interest in keeping his job in Japan now and in the future. Threatened with expulsion on some ground by a governmental authority, Applicant might be coerced to violate security regulations. This disqualifying condition applies.

Applicant shares living quarters with his wife, and the same security concern under AG ¶ 7 (a) would apply under this disqualifying condition AG ¶ 7 (d). This disqualifying condition applies.

Applicant has a well-paying job in Japan. He wants to keep it, and remain residing with his wife in Japan. Under AG ¶ 7 (e), he has a “substantial financial in a foreign country.” Desiring to retain this job and its income, Applicant could be coerced or manipulated into violating security regulations. This disqualifying condition applies.

AG ¶ 8 provides conditions that could mitigate security concerns arising under this guideline:

(a) the nature of the relationships with foreign persons, the country in which these persons are located, or the positions or activities of those persons in that country are such that it is unlikely the individual will be placed in a position of having to choose between the interests of a foreign individual, group, organization, or government and the interests of the U.S.;

(b) there is no conflict of interest, either because the individual's sense of loyalty or obligation to the foreign person, group, government, or country is so minimal, or the individual has such deep and longstanding

relationships and loyalties in the U.S., that the individual can be expected to resolve any conflict of interest in favor of the U.S. interest;

(c) contact or communication with foreign citizens is so casual and infrequent that there is little likelihood that it could create a risk for foreign influence or exploitation;

(d) the foreign contacts and activities are on U.S. Government business or are approved by the cognizant security authority;

(e) the individual has promptly complied with existing agency requirements regarding the reporting of contacts, requests, or threats from persons, groups, or organizations from a foreign country; and,

(f) the value or routine nature of the foreign business, financial, or property interests is such that they are unlikely to result in a conflict and could not be used effectively to influence, manipulate, or pressure the individual.

The two potentially mitigating conditions are AG ¶ 8 (a) and (b). The nature of Applicant's relationship with his wife and her parents, and living in Japan, make it unlikely that he will have to choose between the interests of a foreign group, his wife, the Japanese Government, and the interests of the U.S. Government. The marital union does not create a relationship at conflict with the U.S. Government's interests by its nature. Japan is a country friendly to the United States. Applicant is in Japan, and its industrial information gathering activities are more likely to occur within the United States as opposed to accosting Applicant at his job. Applicant did not present any evidence that he owned real property anywhere in the world, but I consider that a minor concern in this case.

Under AG ¶ 8 (b), Applicant has no conflict of interest because of his loyalties to the United States. He has no loyalty to any foreign group or entity, except his wife. Applicant's children were born in the United States, and he has a duty to protect them. Finally, all of Applicant's ties are to the United States, including his banking accounts are with a United States financial institution. Applicant grew up in the United States and obtained his Associate's degree there.

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 the circumstances. The administrative judge should consider the nine adjudicative process factors listed at AG ¶ 2(a):

(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.

AG ¶ 2(c) requires each case must be judged on its own merits. Under AG ¶ 2(c), the ultimate determination of whether to grant eligibility for a security clearance must be an overall commonsense judgment based upon careful consideration of the guidelines and the whole person concept.

I considered the potentially disqualifying and mitigating conditions in light of all the facts and circumstances surrounding this case. Applicant is a mature adult and was so when his debts accumulated. He ignored his delinquent debt from 1996 to 2005. While Applicant pays his car and personal loans, and his credit card bills regularly, he accumulated over \$40,000 in new debt while leaving his older debt unpaid or resolved. There is likelihood for coercion or manipulation because of Applicant's substantial debts. He has not acted responsibly, and his continued borrowing of money has not shown he has been rehabilitated from his past spending habits. Furthermore, the lack of information Applicant provided to provide a persuasive presentation that he is worthy of a security clearance is of concern. He has not told the entire truth about his finances and activities over the past 13 years. He showed a recurring pattern of questionable judgment and financial irresponsibility (AG ¶ 2 (d)). Any doubt concerning a security clearance applicant "will be resolved in favor of the national security" (AG ¶ 2 (b)). There is that doubt here, in large part because there is no evidence that Applicant has a track record of managing his debts or a demonstrated ability to repay his loans.

Overall, the record evidence leaves me with questions or doubts as to Applicant's eligibility and suitability for a security clearance. For all these reasons, I conclude Applicant did not mitigate the security concerns arising from his financial considerations. He did mitigate the foreign influence security concerns. I conclude the "whole person" concept against Applicant.

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:	AGAINST APPLICANT
Subparagraph 1.a:	For Applicant
Subparagraphs 1.b, 1.c, 1.d:	Against Applicant
Subparagraphs 1.e and 1.f:	For Applicant
Subparagraphs 1.g and 1.h:	Against Applicant
Subparagraphs 1.i and 1.j:	For Applicant

Paragraph 2, Guideline B: FOR APPLICANT

Subparagraph 1.a: For Applicant

Subparagraph 1.b: For Applicant

Conclusion

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

PHILIP S. HOWE
Administrative Judge