



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



In the matter of:)	
)	
)	ISCR Case No. 10-06667
)	
Applicant for Security Clearance)	

Appearances

For Government: Alison O'Connell, Esq., Department Counsel
For Applicant: *Pro se*

April 29, 2011

Decision

HEINY, Claude R., Administrative Judge:

Applicant has 12 past-due student loans, which total more than \$37,000. He owes in excess of \$36,000 for two vehicle repossessions and has additional delinquent accounts, which brings his total delinquent debt to approximately \$85,000. Applicant's explanations concerning the completion of his 2005 Public Trust Position Application and his 2010 Electronic Questionnaires for Investigations Processing (e-QIP) adequately address the personal conduct security concerns. However, he has failed to address his delinquent debt and failed to rebut or mitigate the financial considerations security concern. Clearance is denied.

Statement of the Case

Applicant contests the Defense Department's (DoD) intent to deny or revoke his eligibility for an industrial security clearance. Acting under the relevant Executive Order and DoD Directive,¹ the Defense Office of Hearings and Appeals (DOHA) issued a

¹ Executive Order 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended; Department of Defense (DoD) Directive 5220.6, *Defense Industrial Personnel Security*

Statement of Reasons (SOR) on September 28, 2010, detailing security concerns under Guideline F, financial considerations, and Guideline E, personal conduct.

In an undated response to the SOR, Applicant answered the SOR and requested a hearing. On November 15, 2010, I was assigned the case. On November 18, 2010, DOHA issued a Notice of Hearing for the hearing held on December 2, 2010.

The Government offered Exhibits (Ex.) 1 through 5, which were admitted into evidence without objection. Applicant testified and submitted Exhibits A through Q, which were admitted into evidence without objection. The record was held open to allow additional information from Applicant. On December 2, 2010, and January 27, 2011, additional material was submitted. Department Counsel did not object to the material. Applicant's response was admitted into the record as Exhibits R, S, and T. On December 8, 2010, DOHA received the hearing transcript (Tr.).

Findings of Fact

In Applicant's Answer to the SOR, he admitted all of the factual allegations, with explanations. I incorporate Applicant's admissions to the SOR allegations. After a thorough review of the pleadings, exhibits, and testimony, I make the following additional findings of fact:

Applicant is a 30-year-old technician who is seeking to obtain a security clearance so he can make his fourth trip to Iraq to work with a defense contractor. (Tr. 51) In November 2000, Applicant joined the U.S. Army and was sent to Iraq. For his duty performance in Iraq, he received the Army Achievement Medal and the Army Commendation Medal. (Ex. M) His pay at the time he left the Army, as an E-5, was \$1,600 per month. (Tr. 52, 95) In 2006 and 2008, he returned to Iraq as a civilian working for defense contractors. His most recent tour was as a mine resistant ambush protection technician. He volunteered for an embedded assignment in a small patrol base with minimal comforts. (Ex. P)

Applicant called no witnesses other than himself. He provided letters from coworkers and his former executive officer who supported his clearance request. A friend wrote that Applicant is a person of high moral character and extremely trustworthy. (Ex. O) His first sergeant stated he was extremely loyal and trustworthy. His first sergeant stated he had entrusted Applicant with his life on many occasions while in Iraq. (Tr. R) Applicant is a well-liked, proficient, hardworking mechanic, a true asset, and a valued member of the company. (Ex. S, T)

In 1998, Applicant attended college as an engineering student on grants and student loans. While in college, he used credit cards for food and other living expenses. In November 2000, during his sophomore year, he put college on hold and enlisted in the U.S. Army. He entered the Army under a loan repayment program. (Tr. 23, Ex. Q)

Clearance Review Program (January 2, 1992), as amended (Directive); and the adjudicative guidelines (AG) effective within the DoD on September 1, 2006.

When it was determined his loans were ineligible for repayment by the Government, he was given the option of voiding his enlistment contract. (Tr. 24) He chose to stay in the Army and served in Iraq. (Ex. N) After being honorably discharged from the Army, he returned to college using the GI Bill, working full time, and attending school at night. (Tr. 96)

In October 2006, he returned to Iraq as a civilian mechanic working for a defense contractor. (Tr. 36, 47) He received \$6,000 per month and had no housing or food expenses. (Tr. 48) He was able to bring his educational loans current and paid off his other debt. (Tr. 37, Ex. D) Following that tour, he returned to the United States, finished his senior semester, and graduated college. (Tr. 97) In 2008, he returned to Iraq for the third time being paid \$8,000 per month. (Tr. 50) On his return from Iraq, his student loans were current, and he had accumulated \$50,000 in saving.

In January 2009, Applicant opened a payday loan store. (Ex. F, G, H, and I) Applicant put all of his money into the store, which failed. At the same time he opened his store, a friend opened a similar payday loan store in a different state, which now makes monthly profits of \$40,000 to \$50,000. (Tr. 38) At any time while he operated the business, 70% of his customers were delinquent on their loan repayments. (Tr. 42) In November 2009, nine months after the business opened, he was financially unable to continue operating the business and closed the store. At that time, he had approximately \$30,000 in uncollected debts owed to him. (Tr. 78) Applicant realized he does not have the personality necessary to operate a loan store as he hated the business. (Tr. 41, 43)

In 2005, when he completed a Public Trust Position Application, he responded "yes" to question 20, which asked if he was then more than 180 days delinquent on any loan or financial obligation. He failed to list ten accounts.² Of these accounts, four totaled approximately \$8,000. The remaining accounts were \$58, \$67, \$69, \$187, \$197, and \$243, and were small enough to be easily forgotten. (Ex. 4) When he completed the application he knew of his student loans (\$9,500), listed them, and also listed a bank collection (\$9,332). (Ex. 4) He completed the application to work part-time while in college and did not realize the importance of listing every delinquent debt. (Tr. 93, SOR Answer) He paid these ten debts in full within one year of completing his application.

In 2010, when Applicant completed his e-QIP (Ex. 1) all of the questions were already electronically filled in with his responses that were on his previous 2008 e-QIP. (Tr. 79) In 2008, when his 2008 e-QIP was completed, his credit was excellent. In 2010, he browsed through the questions on the e-QIP and submitted the form. (Tr. 93) After submitting it, he realized his financial status had changed since 2008, thereby making his responses incorrect. (Tr. 93) Section 26, Question m asked if, during the previous seven years, he had been more than 180 days delinquent on any debt and Question n, asked if he was currently more than 90 days delinquent on any debt. He tried

² The August 2005, credit bureau report (CBR) indicates five of the accounts were seriously past due and another five were 120 days or greater past due. The CBR does not indicate the debts were 180 days delinquent.

unsuccessfully to amend the e-QIP, but once it was sent, he was unable to retrieve it to make corrections. He contacted the company's security officer to inform him of the problem that his financial responses were inaccurate. (Ex. J) He was informed the company did not have access to the e-QIP and he should contact Defense Security Services (DSS), which he did. (Tr. 80) DSS told him to correct the e-QIP when it was released back to the contractor. (Tr. 94)

Applicant is currently enrolled in accounting and financial management classes in graduate school and plans to obtain a master's degree in accounting. (Tr. 24, 115) He receives \$1,400 in monthly GI Bill payments. (Tr. 44) However, his student loans are in default. (Tr. 45) He has been hired as a mechanic for this fourth Iraqi tour, contingent on his obtaining a security clearance. (Tr. 66) Based on accepting the job offer he has received, he anticipates having \$7,000 monthly disposable income to repay his debts. (Tr. 73, Ex. L)

In June 2007, Applicant purchased a 2001 Ford pick-up truck for \$17,398. (Ex. 3) In May 2010, the vehicle was repossessed, sold, and a balance due remained of \$12,081. (Tr. 72) In November 2008, Applicant purchased a 2003 BMW for \$26,597. (Ex. 3) In May 2010, the vehicle was repossessed, sold, and a balance due remains of \$24,396. (Tr. 72) He owes approximately \$36,000 on these two repossessions.

Applicant has ten unpaid accounts totaling in excess of \$11,000. He has 12 student loan accounts, which total in excess of \$121,000. He is currently \$37,000 delinquent on the student loans. The total amount of his current delinquent accounts exceeds \$85,000. A summary of Applicant's judgment, accounts charged off, accounts placed for collection, and other unpaid obligations and their current status follows:

	Creditor	Amount	Current Status
a	Credit card account placed for collection, for money Applicant may have used in his failed business. (Tr. 67)	\$2,860	Unpaid.
b	Collection agency collecting for unpaid rent after he was evicted from his apartment. (Tr. 67)	\$1,891	Unpaid.
c	Eye clinic debt, which his insurance failed to pay in 2006.	\$203	Unpaid
d	Telephone service account placed for collection. He asserts he cancelled the service before being deployed. He has talked to the creditor who has agreed to remove the debt from his CBR, but provided no supporting documentation. (Tr. 68)	\$155	Unpaid.
e	Cable account placed for collection.	\$589	Unpaid.

	Creditor	Amount	Current Status
f	Telephone account placed for collection. This was a business WiFi account. (Tr. 69)	\$460	Unpaid.
g	Cable account placed for collection.	\$222	Unpaid.
h	Electric utility account charged off. This was unrelated to the business.	\$385	Unpaid.
i	Sallie Mae charged-off student loan of \$26,325. As of September 2010 the amount past due was \$2,449. (Ex. 2)	\$2,449	In default status. (Tr. 70)
j	Sallie Mae charged-off student loan of \$27,865. As of September 2010 the amount past due was \$2,590. (Ex. 2)	\$2,590	In default status. (Tr. 70)
k	Sallie Mae charged-off student loan of \$38,627. As of September 2010 the amount past due was \$3,593. (Ex. 2)	\$3,593	In default status. (Tr. 70)
l	Student loan placed for collection.	\$5,618	In default status. (Tr. 70)
m	Student loan placed for collection.	\$1,498	In default status. (Tr. 70)
n	Student loan placed for collection.	\$3,634	In default status. (Tr. 70)
o	Student loan placed for collection.	\$713	In default status. (Tr. 70)
p	Student loan placed for collection.	\$2,803	In default status. (Tr. 70)
q	Student loan placed for collection.	\$6,039	In default status. (Tr. 70)
r	Student loan placed for collection.	\$3,885	In default status. (Tr. 70)
s	Student loan placed for collection.	\$1,858	In default status. (Tr. 70)
t	Balance due following the repossession of his 2003 BMW automobile.	\$24,396	Unpaid.
u	Balance due following the repossession of his 2001 Ford pick up.	\$12,081	Unpaid.
v	Student loan placed for collection.	\$2,703	In default status. (Tr. 70)
w	Advertising sign purchased for his payday loan company. (Tr. 58)	\$4,244	Unpaid.
x	Mail order CD purchase account placed for collection.	\$154	Unpaid.
	Total debt listed in SOR	\$85,023	

Policies

When evaluating an applicant's suitability for a security clearance, the administrative judge must consider the adjudicative guidelines. In addition to brief introductory explanations for each guideline, the adjudicative guidelines list potentially disqualifying conditions and mitigating conditions, which must be considered in evaluating an applicant's eligibility for access to classified information.

These guidelines are not inflexible rules of law. Instead, recognizing the complexities of human behavior, these guidelines are applied in conjunction with the factors listed in the adjudicative process. The administrative judge's overarching adjudicative goal is a fair, impartial, and commonsense decision. According to AG ¶ 2(c), the entire process is a conscientious scrutiny of a number of variables known as the "whole-person concept." The administrative judge must consider all available, reliable information about the person, past and present, favorable and unfavorable, in making a decision.

The protection of the national security is the paramount consideration. AG ¶ 2(b) requires that "[a]ny doubt concerning personnel being considered for access to classified information will be resolved in favor of national security." In reaching this decision, I have drawn only those conclusions that are reasonable, logical, and based on the evidence contained in the record.

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. . . ." The applicant has the ultimate burden of persuasion to obtain a favorable security decision.

A person who seeks access to classified information enters into a fiduciary relationship with the Government predicated upon trust and confidence. This relationship transcends normal duty hours and endures throughout off-duty hours. The Government reposes a high degree of trust and confidence in individuals to whom it grants access to classified information. Decisions include, by necessity, consideration of the possible risk the applicant may deliberately or inadvertently fail to safeguard classified information. Such decisions entail a certain degree of legally permissible extrapolation of potential, rather than actual, risk of compromise of classified information.

Section 7 of Executive Order 10865 provides that decisions shall be "in terms of the national interest and shall in no sense be a determination of 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

Adjudicative Guideline (AG) ¶ 18 articulates the security concerns relating to financial problems:

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.

Additionally, an individual who is financially irresponsible may also be irresponsible, unconcerned, negligent, or careless in properly handling and safeguarding classified information. Behaving responsibly or irresponsibly in one aspect of life provides an indication of how a person may behave in other aspects of life.

A person's relationship with his creditors is a private matter until evidence is uncovered demonstrating an inability or unwillingness to repay debts as agreed. Absent substantial evidence of extenuating or mitigating circumstances, an applicant with a history of serious or recurring financial difficulties is in a position of risk that is inconsistent with holding a security clearance. An applicant is not required to be debt free, but is required to manage his finances to meet his financial obligations.

Applicant has a history of financial problems. Applicant has 24 delinquent accounts, which total in excess of \$85,000, with an additional \$84,000 in student loan liability, which was not past due as of September 2010. Disqualifying Conditions AG ¶ 19(a), "inability or unwillingness to satisfy debts" and AG ¶ 19(c), "a history of not meeting financial obligations," apply.

Five Financial Considerations Mitigating Conditions under AG ¶¶ 20 are potentially applicable:

(a) the behavior happened so long ago, was so infrequent, or occurred under such circumstances that it is unlikely to recur and does not cast doubt on the individual's current reliability, trustworthiness, or good judgment;

(b) the conditions that resulted in the financial problem were largely beyond the person's control (e.g., loss of employment, a business downturn, unexpected medical emergency, or a death, divorce or separation), and the individual acted responsibly under the circumstances;

(c) 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;

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

(e) 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 meets none of the mitigating factors for financial considerations. He entered into a business endeavor, which failed. Only three of the debts (SOR 1.a, \$2,860; SOR 1.f, \$460; and SOR 1.w, \$4,244), totaling approximately \$7,500, were related to his failed business. These business-related debts represent less than ten percent of his total delinquent obligations. Following the failure of his business, he chose to return to school.

The majority of Applicant's delinquent debt relates to student loans currently in default. He is approximately \$34,000 past due on his student loans and an additional \$84,000 is owed on his student loans, which is not past due. Applicant accumulated this debt while going to school to gain better employment opportunities and deserves credit for trying to earn his college degree and master's degree. However, the debt is past due.

Applicant's delinquent debts are numerous, ongoing, and remain unpaid. His continuing delinquent debts constitute a "continuing course of conduct." ISCR Case No. 087-11814 at 3 (App. Bd. Aug. 29, 2008) (citing ISCR Case No. 01-03695 (App. Bd. Oct. 16, 2002)).

Applicant produced no evidence of circumstances beyond his control related to the non business debt. He failed to provide proof that he maintained contact with his creditors, failed to provide proof that he made adequate efforts to set up payment plans, and failed to provide proof that he took other timely efforts to resolve his delinquent debts. He has not acted responsibly in addressing his debts. I find AG ¶ 20(a) does not apply to the 21 non-business debts.

Under AG ¶ 20(b), Applicant's financial problems were contributed to by his business failure, which is a condition beyond his control. Even if Applicant's financial difficulties initially arose, in whole or in part, due to circumstances outside his control, I must still consider whether Applicant has since acted in a reasonable manner when dealing with those financial difficulties. ISCR Case No. 05-11366 at 4 n.9 (App. Bd. January 12, 2007)(citing ISCR Case No. 03-13096 at 4 (App. Bd. November 29, 2005); ISCR Case No. 99-0462 at 4 (App. Bd. May 25, 2000); ISCR Case No. 99-0012 at 4 (App. Bd. December 1, 1999). Since the business failure, Applicant's actions to pay his

creditors have been minimal. The mitigating condition listed in AG ¶ 20(b) does not apply.

An applicant is not required to establish that he has paid off each and every debt listed in the SOR. All that is required is for him to demonstrate he has established a plan to resolve his delinquent debt and has taken significant action to implement that plan. I must reasonably consider the entirety of Applicant's financial situation and his actions in evaluating the extent to which that plan is credible and realistic. There is no requirement that a plan provide for payments on all outstanding debts simultaneously. Rather, a reasonable plan may provide for payment on such debts one at a time. Likewise, there is no requirement that the first debts actually paid in furtherance of a reasonable debt plan be the ones listed in the SOR.

Applicant has received no credit or financial counseling, and he has not demonstrated his financial problems are under control, or that he has a workable plan to bring his delinquent debt under control. The mitigating condition listed in AG ¶ 20(c) does not apply. His plan is to obtain his clearance so he can return overseas and use that salary to address his current delinquent accounts. This plan is too speculative in nature to qualify as a mitigating condition as set forth in AG ¶ 20(d). For AG ¶ 20(d) to apply there must be an "ability" to repay the debts, the "desire" to repay, and evidence of a good-faith effort to repay. Applicant has expressed a desire to repay his debts, but has neither the current ability to pay his debts or a current systematic, concrete method of handling his debts.

Applicant has not made a good-faith effort to satisfy his debts. Good-faith requires a showing that a person acts in a way that shows reasonableness, prudence, honesty, and adherence to duty or obligation. To date, Applicant has made no proven effort to address his delinquent accounts. He has approximately \$4,000 in delinquent debt not related to student loans, the failed business, or the two vehicle repossession. These seven debts remain unpaid even though two of them are approximately \$150 each and two other are approximately \$200 each.

The mitigating condition listed in AG ¶ 20(e) does not apply because Applicant has admitted owing the debts and has not provided documented proof to substantiate any basis to dispute the delinquent accounts.

Applicant asserts that, should his clearance be granted, he would return overseas with a defense contractor at an annual salary sufficient to repay his delinquent debt. His past history has shown he did bring his debt current when assigned overseas on his previous tours. When he returned from his last employment overseas he had \$50,000 in savings. Even with this favorable past history, it is too speculative to find in his favor when he has 24 delinquent accounts totaling more than \$85,000. I conclude Guideline F against Applicant.

Guideline E, Personal Conduct

Adjudicative Guideline (AG) ¶ 15 articulates the security concerns relating to personal conduct:

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

The Personal Conduct Disqualifying Condition under AG ¶ 16 that is potentially applicable:

(a) deliberate omission, concealment, or falsification of relevant 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;

In July 2005, when Applicant completed a Public Trust Position Application, he listed his major delinquent accounts, but failed to list ten additional delinquent accounts, half of which were for accounts that totaled less than \$300. He listed his delinquent student loans (\$9,500) and a delinquent bank account (\$9,300). The Government established he did not list each and every delinquent account, but by listing his larger delinquent debt, he put the Government on notice of his financial problems, which is what the application sought to discover.

The deliberate omission, concealment, or falsification of a material fact in any written document or oral statement to the Government when applying for a security clearance is a security concern. But every inaccurate statement is not a falsification. A falsification must be deliberate and material. It is deliberate if it is done knowingly and willfully. Applicant denies he was attempting to deceive the Government with his response. By listing his larger delinquent debts, but not every delinquent debt, he gave sufficient information for the Government to inquire further into his finances. I am satisfied he did not intentionally falsify his Public Trust Position Application.

In 2008, Applicant completed an e-QIP. At that time his finances were in excellent condition. In April 2010, he was required to provide a new e-QIP. When he received the e-QIP electronically, it contained his answers from his 2008 e-QIP. He reviewed the e-QIP and submitted it. Once it had been sent, he realized it was inaccurate as to his current financial situation. At that point, he did what he could to correct the problem. He first attempted to retrieve the e-QIP on his computer so he could make the changes. When he was unable to do so, he contacted his company's

security officer and told him about the inaccurate financial information. The company's security officer stated the e-QIP had already been forwarded to DSS and nothing could be done at their level. Applicant then contacted DSS and told them about the inaccurate information and his desire to provide correct information. DSS informed him nothing could be done until the e-QIP was sent back to the company.

Under the Directive, an applicant may mitigate the security concerns arising from questionable personal conduct under certain circumstances. AG ¶ 17 provides conditions that could mitigate personal conduct security concerns, including AG ¶ 17(a): "the individual made prompt, good-faith efforts to correct the omission, concealment, or falsification before being confronted with the facts." I find this mitigating factor applies. Applicant has met his burden of proving that he promptly attempted to correct his q-QIP as soon as he realized the information was incorrect. Applicant has mitigated the personal conduct security concerns related to his 2005 Public Trust Position Application and 2010 e-QIP.

Whole-Person Concept

Under the whole-person concept, the administrative judge must evaluate an applicant's eligibility for a security clearance by considering the totality of the applicant's conduct and all relevant circumstances. The administrative judge should consider the nine adjudicative process factors listed at AG ¶ 2(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.

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's explanations concerning the completion of his 2005 Public Trust Position Application and his 2010 e-QIP adequately address the personal conduct security concerns. However, the financial consideration security concerns remain. Applicant has had three tours in Iraq and desires his clearance so he can return for his fourth tour. He is to be commended for his patriotism. However, he has approximately \$85,000 in delinquent debt, which he is unable to pay unless he is able to return to the high salary paid by the defense contractor for service in Iraq.

The issue is not simply whether all of Applicant's debts have been paid – they have not – it is whether his financial circumstances raise concerns about his fitness to hold a security clearance. (See AG ¶ 2(a)(1).) Applicant has large student loan obligations and two large delinquent accounts from vehicle repossessions. But he also has additional debts, some of which are approximately \$200 or less, that have not been addressed. His inability to address even these smaller delinquencies raises a concern about his fitness to hold a security clearance.

Overall, the record evidence leaves me with questions and doubts about Applicant's eligibility and suitability for a security clearance. This decision should not be construed as a determination that Applicant cannot or will not attain the state of true reform and rehabilitation necessary to justify the award of a security clearance. The awarding of a security clearance is not a once in a lifetime occurrence, but is based on applying the factors, both disqualifying and mitigating, to the evidence presented. Under Applicant's current circumstances, a clearance is not warranted. Should Applicant be afforded an opportunity to reapply for a security clearance in the future, having paid the delinquent obligations, established compliance with a repayment plan, or otherwise addressed the obligations, he may well demonstrate persuasive evidence of his security worthiness. However, at this time, Applicant has not mitigated the security concerns arising from his financial considerations. A clearance at this time is not warranted.

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, Financial Considerations: AGAINST APPLICANT

Subparagraphs 1.a – 1.x: Against Applicant

Paragraph 2, Personal Conduct: FOR APPLICANT

Subparagraphs 2.a and 2.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 national interest to grant Applicant eligibility for a security clearance. Eligibility for access to classified information is denied.

CLAUDE R. HEINY II
Administrative Judge