



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



In the matter of:

Applicant for Security Clearance

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ISCR Case No. 17-01335

Appearances

For Government: Carroll J. Connelley, Esquire, Department Counsel

For Applicant: *Pro se*

12/07/2017

Decision

GALES, Robert Robinson, Administrative Judge:

Applicant failed to mitigate the security concerns regarding financial considerations and personal conduct. Eligibility for a security clearance and access to classified information is denied.

Statement of the Case

On December 22, 2015, Applicant applied for a security clearance and submitted an Electronic Questionnaire for Investigations Processing (e-QIP) version of a Security Clearance Application. On May 25, 2017, the Department of Defense (DOD) Consolidated Adjudications Facility (CAF) issued a Statement of Reasons (SOR) to him, under Executive Order 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended and modified; DOD Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended and modified (Directive); and the *Adjudicative Guidelines for Determining Eligibility For Access to Classified Information* (December 29, 2005) applicable to all adjudications and other determinations made under the Directive, effective September 1, 2006.¹ The SOR

¹ Effective June 8, 2017, by Directive 4 of the Security Executive Agent (SEAD 4), dated December 10, 2016, *National Security Adjudicative Guidelines* (AG) for all covered individuals who require initial or continued eligibility for

alleged security concerns under Guideline F (Financial Considerations) and Guideline E (Personal Conduct), and detailed reasons why the DOD adjudicators were unable to find that it is clearly consistent with the national interest to grant or continue a security clearance for Applicant. The SOR recommended referral to an administrative judge to determine whether a clearance should be granted, continued, denied, or revoked.

It is unclear when Applicant received the SOR as there is no receipt in the case file. On June 23, 2017, he responded to the SOR and elected to have his case decided on the written record in lieu of a hearing. A complete copy of the Government's file of relevant material (FORM) was mailed to Applicant by DOHA on July 14, 2017, and he was afforded an opportunity, within a period of 30 days after receipt of the FORM, to file objections and submit material in refutation, extenuation, or mitigation. In addition to the FORM, Applicant was furnished a copy of the Directive as well as the previous Adjudicative Guidelines applicable to his case. Applicant received the FORM on July 24, 2017. Applicant's response was due on August 23, 2017. Applicant failed to submit any response. The case was assigned to me on December 4, 2017.

Findings of Fact

In his Answer to the SOR, Applicant admitted nearly all of the factual allegations pertaining to financial considerations (§§ 1.a., and 1.c. through 1.i.), and he seemingly denied, with a comment, the sole allegation pertaining to personal conduct (§ 2.a.) of the SOR. Applicant's admissions and comments are incorporated herein as findings of fact. After a complete and thorough review of the evidence in the record, and upon due consideration of same, I make the following additional findings of fact:

Applicant is a 32-year-old employee of a defense contractor. He has served as a heavy truck driver since December 2015. Applicant previously had several relatively diverse positions with various employers, as well as a number of periods of unemployment. He was unemployed from March 2008 until December 2010; June 2011 until September 2011; from July 2013 until January 2014; and August 2015 until December 2015. He is a 2003 high school graduate. He has never served with the U.S. military. Applicant has never been married. He has no children.

Financial Considerations²

It is unclear when Applicant first started to experience financial difficulties, or what specific factors may have led to those difficulties. He acknowledged having been unemployed on several occasions, but claimed that during those periods, he resided with his parents and received unemployment compensation. Applicant's e-QIP does not list

access to classified information or eligibility to hold a sensitive position, were established to supersede all previously issued national security adjudicative criteria or guidelines. Accordingly, those guidelines previously implemented on September 1, 2006, under which this security clearance review case was initiated, no longer apply. In comparing the two versions, there is no substantial difference that might have a negative effect on Applicant in this case.

² General source information pertaining to the financial accounts discussed below can be found in the following exhibits: Item 4 (Combined Experian, TransUnion, and Equifax Credit Report, dated January 22, 2016; Item 5 (Equifax Credit Report, dated March 3, 2017; Item 3 (Personal Subject Interview, dated January 26, 2017).

any financial delinquencies. Nevertheless, a review of his January 2016 credit report and his March 2017 credit report reveals a number of delinquent accounts that were past due, placed for collection, charged off, or transferred or sold.

The SOR identified 12 purportedly delinquent debts, totaling approximately \$25,000. They included a bank credit card account with a high credit of \$8,357 that had an unpaid balance of \$9,528 (SOR ¶ 1.a.); an unspecified type of account with a high credit of \$14,357, of which \$9,288 was charged off in April 2011. The same creditor obtained a judgment in an unspecified amount, and in April 2016, an Entry of Satisfaction was filed indicating that the judgment had been either “paid in full, settled, or otherwise complied with and is hereby satisfied” (SOR ¶ 1.b.);³ an unspecified type of bank account with an unpaid balance of \$1,302 that was sold to a debt purchaser (SOR ¶ 1.c.); an unspecified type of bank account with an unpaid balance of \$1,182 that was sold to a debt purchaser (SOR ¶ 1.d.); an unspecified type of bank account with an unpaid balance of \$929 that was transferred or sold to another entity (SOR ¶ 1.e.); a bank-issued retail charge account that was charged off in the amount of \$636 in January 2011 (SOR ¶ 1.f.); a cellular telephone account with an unpaid balance of \$523 that was sold to a debt purchaser (SOR ¶ 1.g.); four medical accounts with unpaid balances of \$498 (SOR ¶ 1.h.); \$81 (SOR ¶ 1.j.); \$554 (SOR ¶ 1.k.); and \$370 (SOR ¶ 1.l.); and a telephone account with an unpaid balance of \$474 (SOR ¶ 1.i.).

Applicant acknowledged that he has received letters and collection calls from creditors or collection agents. He acknowledged that he had not made any efforts to pay his creditors because he has only enough money to pay his current bills. Applicant said that he intends to pay all of his creditors in full, eventually.⁴ His plan is to pay the smaller ones in full, and then establish repayment plans with the larger accounts. There is no evidence that Applicant ever received financial counseling.

Applicant failed to submit a Personal Financial Statement to reflect his net monthly income, normal monthly expenses, including debt payments, and a monthly remainder available for discretionary spending or savings. In the absence of such information, it remains unclear if Applicant’s financial situation has improved, or if his finances are under control.

Personal Conduct

In December 2015, when Applicant completed his e-QIP, he responded to certain questions pertaining to his financial record.

(SOR ¶ 2.a.): The questions in Section 26 – Financial Record: Delinquency Involving Routine Accounts – asked if, in the past seven years, he had: bills or debts

³ Item 1 (Entry of Satisfaction, dated April 5, 2016).

⁴ It should be noted that the Appeal Board has indicated that promises to pay off delinquent debts in the future are not a substitute for a track record of paying debts in a timely manner and otherwise acting in a financially responsible manner. ISCR Case No. 07-13041 at 4 (App. Bd. Sept. 19, 2008) (citing ISCR Case No. 99-0012 at 3 (App. Bd. Dec. 1, 1999)).

turned over to a collection agency; and any account or credit card suspended, charged off, or cancelled for failing to pay as agreed. Applicant answered “no” to those questions. He certified that the responses were “true, complete, and correct” to the best of his knowledge and belief, but the responses to those questions were, in fact, false. He initially told an investigator from the U.S. Office of Personnel Management (OPM) that he had no delinquent accounts, but then acknowledged that there were two delinquent accounts. After being confronted by the investigator regarding the remaining delinquent debts, Applicant said he had not listed his financial delinquencies because he believed the accounts were outside the seven-year window, and he was not aware that they were “as current as they are.” As noted above, Applicant acknowledged having received telephone calls and collection letters from his creditors or collection agents.

Policies

The U.S. Supreme Court has recognized the substantial discretion of the Executive Branch in regulating access to information pertaining to national security emphasizing, “no one has a ‘right’ to a security clearance.”⁵ As Commander in Chief, the President has the authority to control access to information bearing on national security and to determine whether an individual is sufficiently trustworthy to have access to such information. The President has authorized the Secretary of Defense or his designee to grant an applicant eligibility for access to classified information “only upon a finding that it is clearly consistent with the national interest to do so.”⁶

When evaluating an applicant’s suitability for a security clearance, the administrative judge must consider the guidelines in SEAD 4. In addition to brief introductory explanations for each guideline, the guidelines list potentially disqualifying conditions and mitigating conditions, which are used in evaluating an applicant’s eligibility for access to classified information.

An administrative judge need not view the guidelines as inflexible, ironclad rules of law. Instead, acknowledging 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. 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 meaningful decision.

In the decision-making process, facts must be established by “substantial evidence.”⁷ The Government initially has the burden of producing evidence to establish a

⁵ *Department of the Navy v. Egan*, 484 U.S. 518, 528 (1988).

⁶ Exec. Or. 10865, *Safeguarding Classified Information within Industry* § 2 (Feb. 20, 1960), as amended and modified.

⁷ “Substantial evidence [is] such relevant evidence as a reasonable mind might accept as adequate to support a conclusion in light of all contrary evidence in the record.” ISCR Case No. 04-11463 at 2 (App. Bd. Aug. 4, 2006) (citing Directive ¶ E3.1.32.1). “Substantial evidence” is “more than a scintilla but less than a preponderance.” See *v. Washington Metro. Area Transit Auth.*, 36 F.3d 375, 380 (4th Cir. 1994).

potentially disqualifying condition under the Directive, and has the burden of establishing controverted facts alleged in the SOR. Once the Government has produced substantial evidence of a disqualifying condition, under Directive ¶ E3.1.15, the applicant has the burden of persuasion to present evidence in refutation, explanation, extenuation or mitigation, sufficient to overcome the doubts raised by the Government's case. The burden of disproving a mitigating condition never shifts to the Government.⁸

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 as well. It is because of this special relationship that 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. 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 as to potential, rather than actual, risk of compromise of classified information. Furthermore, "security clearance determinations should err, if they must, on the side of denials."⁹

Clearance decisions must be "in terms of the national interest and shall in no sense be a determination as to the loyalty of the applicant concerned."¹⁰ Thus, nothing in this decision should be construed to suggest that I have based this decision on any express or implied determination as to Applicant's allegiance, loyalty, or patriotism. It is merely an indication the Applicant has or has not met the strict guidelines the President and the Secretary of Defense have established for issuing a clearance. 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.

Analysis

Guideline F, Financial Considerations

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

Failure 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 or sensitive information. Financial distress can also be caused or exacerbated by, and thus can be a possible indicator of, other

⁸ See ISCR Case No. 02-31154 at 5 (App. Bd. Sep. 22, 2005).

⁹ *Egan*, 484 U.S. at 531.

¹⁰ See Exec. Or. 10865 § 7.

issues of personnel security concern such as excessive gambling, mental health conditions, substance misuse, or alcohol abuse or dependence. An individual who is financially overextended is at greater risk of having to engage in illegal or otherwise questionable acts to generate funds. Affluence that cannot be explained by known sources of income is also a security concern insofar as it may result from criminal activity, including espionage.

The guideline notes several conditions that could raise security concerns. Under AG ¶ 19(a), an “inability to satisfy debts” is potentially disqualifying. In addition, AG ¶ 19(b) may apply if there is an “unwillingness to satisfy debts regardless of the ability to do so.” Similarly, under AG ¶ 19(c), “a history of not meeting financial obligations” may raise concerns. Applicant has 12 delinquent debts totaling approximately \$25,000. AG ¶¶ 19(a), 19(b), and 19(c) have been established.

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.”¹¹ Also, under AG ¶ 20(b), financial security concerns may be mitigated 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, a death, divorce or separation, clear victimization by predatory lending practices, or identity theft), and the individual acted responsibly under the circumstances.” Evidence that “the individual has received or is receiving financial counseling for the problem from a legitimate and credible source, such as a non-profit credit counseling service, and there are clear indications that the problem is being resolved or is under control” is potentially mitigating under AG ¶ 20(c). Similarly, AG ¶ 20(d) applies where the evidence shows “the individual initiated and is adhering to a good-faith effort to repay overdue creditors or otherwise resolve debts.”¹²

¹¹ A debt that became delinquent several years ago is still considered recent because “an applicant’s ongoing, unpaid debts evidence a continuing course of conduct and, therefore, can be viewed as recent for purposes of the Guideline F mitigating conditions.” ISCR Case No. 15-06532 at 3 (App. Bd. Feb. 16, 2017) (citing ISCR Case No. 15-01690 at 2 (App. Bd. Sep. 13, 2016)).

¹² The Appeal Board has previously explained what constitutes a good-faith effort to repay overdue creditors or otherwise resolve debts:

In order to qualify for application of [the “good-faith” mitigating condition], an applicant must present evidence showing either a good-faith effort to repay overdue creditors or some other good-faith action aimed at resolving the applicant’s debts. The Directive does not define the term ‘good-faith.’ However, the Board has indicated that the concept of good-faith ‘requires a showing that a person acts in a way that shows reasonableness, prudence, honesty, and adherence to duty or obligation.’ Accordingly, an applicant must do more than merely show that he or she relied on a legally available option (such as bankruptcy [or statute of limitations]) in order to claim the benefit of [the “good-faith” mitigating condition].

(internal citation and footnote omitted) ISCR Case No. 02-30304 at 3 (App. Bd. Apr. 20, 2004) (quoting ISCR Case No. 99-9020 at 5-6 (App. Bd. Jun. 4, 2001)).

AG ¶ 20(b) partially applies. None of the remaining mitigating conditions apply. The nature, frequency, and recency of Applicant's continuing financial difficulties make it difficult to conclude that it occurred "so long ago" or "was so infrequent," or that it is "unlikely to recur." Applicant failed to identify any specific factor for his inability to continue making his normal monthly payments other than simply saying that he could not afford to do so. During his periods of unemployment, he was receiving unemployment compensation, and his living expenses were minimized because he was residing with his parents. There is documentation to support that one account was resolved in 2016, but there is no evidence to indicate any efforts by Applicant to address the remaining 11 debts, including one with the relatively modest balance of \$81. Furthermore, Applicant's declared future intentions to pay the accounts is simply a hope for financial improvement, not a strategy for a financial plan.¹³

Clearance decisions are aimed at evaluating an applicant's judgment, reliability, and trustworthiness. They are not a debt-collection procedure. The guidelines do not require an applicant to establish resolution of each and every debt alleged in the SOR. An applicant needs only to establish a plan to resolve financial problems and take significant actions to implement the plan. There is no requirement that an applicant immediately resolve or make payments on all delinquent debts simultaneously, nor is there a requirement that the debts alleged in an SOR be paid first. Rather, a reasonable plan and concomitant conduct may provide for the payment of such debts one at a time. In this instance, there are no references to an overall plan, and there are lengthy periods of inactivity.

Under the circumstances, Applicant has not acted responsibly by failing to address his delinquent accounts and by failing to initiate meaningful efforts to work with his creditors.¹⁴ There is little evidence that the conditions that may have resulted in the financial issues were largely beyond Applicant's control. There is no evidence of financial counseling, a budget, or any disputes. Applicant offered no evidence to indicate that his financial situation is now under control. Applicant's actions, or relative inaction, under the circumstances casts substantial doubt on his current reliability, trustworthiness, and good judgment.¹⁵

¹³ The Appeal Board has indicated that promises to pay off delinquent debts in the future was not a substitute for a track record of paying debts in a timely manner and otherwise acting in a financially responsible manner. ISCR Case No. 07-13041 at 4 (App. Bd. Sept. 19, 2008) (citing ISCR Case No. 99-0012 at 3 (App. Bd. Dec. 1, 1999)).

¹⁴ "Even if Applicant's financial difficulties initially arose, in whole or in part, due to circumstances outside his [or her] control, the Judge could 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. Jan. 12, 2007) (citing ISCR Case No. 99-0462 at 4 (App. Bd. May 25, 2000); ISCR Case No. 99-0012 at 4 (App. Bd. Dec. 1, 1999); ISCR Case No. 03-13096 at 4 (App. Bd. Nov. 29, 2005)). A component is whether he or she maintained contact with creditors and attempted to negotiate partial payments to keep debts current.

¹⁵ See ISCR Case No. 09-08533 at 3-4 (App. Bd. Oct. 6, 2010).

Guideline E, Personal Conduct

The security concern relating to the guideline for Personal Conduct is set out in AG ¶ 15:

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 or sensitive information. Of special interest is any failure to cooperate or provide truthful and candid answers during national security investigative or adjudicative processes. The following will normally result in an unfavorable national security eligibility determination, security clearance action, or cancellation of further processing for national security eligibility:

(a) refusal, or failure without reasonable cause, to undergo or cooperate with security processing, including but not limited to meeting with a security investigator for subject interview, completing security forms or releases, cooperation with medical or psychological evaluation, or polygraph examination, if authorized and required; and

(b) refusal to provide full, frank, and truthful answers to lawful questions of investigators, security officials, or other official representatives in connection with a personnel security or trustworthiness determination.

The guideline notes a condition that could raise security concerns. Under AG ¶ 16(a), it is potentially disqualifying if there is 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 national security eligibility or trustworthiness, or award fiduciary responsibilities.

As noted above, on December 22, 2015, when Applicant completed his e-QIP, he responded to certain questions pertaining to his financial record. The questions in Section 26 – Financial Record, asked significant questions with a direct bearing on his security clearance eligibility. Applicant answered “no” to those questions. He certified that the responses were “true, complete, and correct” to the best of his knowledge and belief, but the responses to the questions in that section were, in fact, false. With respect to the answers on the e-QIP, Applicant was not candid with the OPM investigator. Applicant said he had not listed his financial delinquencies because he believed the accounts were outside the seven-year window, and he was not aware that they were “as current as they are.” But, Applicant acknowledged having received telephone calls and collection letters from his creditors or collection agents, and it is difficult to conclude that his explanation was reasonable. AG ¶ 16(a) has been established.

The guideline also includes examples of conditions under AG ¶ 17 that could mitigate security concerns arising from personal conduct. They include:

- (a) the individual made prompt, good-faith efforts to correct the omission, concealment, or falsification before being confronted with the facts;
- (b) the refusal or failure to cooperate, omission, or concealment was caused or significantly contributed to by advice of legal counsel or of a person with professional responsibilities for advising or instructing the individual specifically concerning security processes. Upon being made aware of the requirement to cooperate or provide the information, the individual cooperated fully and truthfully;
- (c) the offense is so minor, or so much time has passed, or the behavior is so infrequent, or it happened under such unique circumstances that it is unlikely to recur and does not cast doubt on the individual's reliability, trustworthiness, or good judgment;

I have concluded that none of the mitigating conditions apply. Applicant's falsifications regarding his finances in his e-QIP by intentionally failing to disclose the true extent of his financial issues is recent, serious, and not mitigated. A key component of the protection of classified information is reliance on security clearance holders to accurately report potential compromise of classified information. A person who has delinquent accounts and who deliberately denies having them on their e-QIP cannot be relied upon to report potential compromise of classified information. Applicant's actions, or relative inaction, under the circumstances cast substantial doubt on his current reliability, trustworthiness, and good judgment.

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 SEAD 4, App. A, ¶ 2(d):

- (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 SEAD 4, App. A, ¶ 2(c), the ultimate determination of whether to grant a security clearance must be an overall commonsense judgment based upon careful

consideration of the guidelines and the whole-person concept. Moreover, I have evaluated the various aspects of this case in light of the totality of the record evidence and have not merely performed a piecemeal analysis.¹⁶

There is some evidence in favor of mitigating Applicant's conduct. He graduated from high school. He has served as a Heavy Truck Driver since December 2015. He resolved one delinquent account in 2016, and he has promised to eventually pay off his remaining delinquent accounts.

The disqualifying evidence under the whole-person concept is simply more substantial. Applicant has an extensive history of financial problems, originally with 12 delinquent debts totaling approximately \$25,000. Initially, he denied any delinquencies, and then he modified his position when he said he had not listed his financial delinquencies because he believed the accounts were outside the seven-year window, and he was not aware that they were "as current as they are." Applicant acknowledged having received telephone calls and collection letters from his creditors or collection agents. Considering the lack of evidence regarding his current finances, and the absence of character evidence regarding Applicant's honesty, integrity, and trustworthiness, I am unable to reach a positive conclusion pertaining to Applicant's eligibility for a security clearance.

The Appeal Board has addressed a key element in the whole-person analysis in financial cases stating:¹⁷

In evaluating Guideline F cases, the Board has previously noted that the concept of "meaningful track record" necessarily includes evidence of actual debt reduction through payment of debts. However, an applicant is not required, as a matter of law, to establish that he [or she] has paid off each and every debt listed in the SOR. All that is required is that an applicant demonstrate that he [or she] has "... established a plan to resolve his [or her] financial problems and taken significant actions to implement that plan." The Judge can reasonably consider the entirety of an applicant's financial situation and his [or her] actions in evaluating the extent to which that applicant's plan for the reduction of his outstanding indebtedness is credible and realistic. See Directive ¶ E2.2(a) ("Available, reliable information about the person, past and present, favorable and unfavorable, should be considered in reaching a determination.") There is no requirement that a plan provide for payments on all outstanding debts simultaneously. Rather, a reasonable plan (and concomitant conduct) may provide for the payment of 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.

¹⁶ See *U.S. v. Bottone*, 365 F.2d 389, 392 (2d Cir. 1966); See also ISCR Case No. 03-22861 at 2-3 (App. Bd. Jun. 2, 2006).

¹⁷ ISCR Case No. 07-06482 at 2-3 (App. Bd. May 21, 2008) (internal citations omitted).

Applicant has demonstrated an extremely poor track record of debt reduction and elimination efforts, seemingly avoiding resolution of his debts. His intentional falsifications regarding his finances are very troubling. Overall, the evidence leaves me with substantial questions and doubts as to Applicant's eligibility and suitability for a security clearance. For all of these reasons, I conclude Applicant has failed to mitigate the security concerns arising from his financial considerations and personal conduct. See SEAD 4, App. A, ¶¶ 2(d)(1) through 2(d)(9).

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
Subparas 1.a., and 1.c. through 1.l.:	Against Applicant
Subparagraph 1.b.:	For Applicant
Paragraph 2, Guideline E:	AGAINST APPLICANT
Subparagraph 2.a.:	Against 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.

ROBERT ROBINSON GALES
Administrative Judge