n a Nov. 13, 2012, email, Avantair President and founder Steve Santo attempted to reassure the troubled fractional ownership program’s 600-plus shareholders that the company was being proactive when it voluntarily grounded its fleet of 56 Piaggio P180 Avanti turboprops the previous month.

Two factors led to the stand-down, Santo claimed, the first being “the loss of an elevator from a plane in late July of this year.” The P180 crew had discovered their airplane was missing the left-hand segment of its two-piece elevator during a post-flight inspection at the termination of a two-leg flight. Avantair reported the incident to the FAA and NTSB, Santo wrote, but its own investigation revealed that the elevator piece was lost on the first takeoff, meaning the pilots had failed to perform a mandatory walk-around after that leg, and they were fired as a result. Santo noted Avantair had a “zero tolerance” policy for failing to comply with company rules or the FARs.

The night of the incident, Santo claimed, the entire fleet was briefly...