

UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

In Re: Spirit Airlines, Inc., *et al*

Debtors

Case No: 1:2024-bk-11988

Judge: Sean H. Lane

MOVANT STEVEN P. ENDRES' EX PARTE MOTION TO CONTEST DEBTORS'

PETITION FOR RELIEF AND FOR RELIEF FROM AUTOMATIC STAY

1. Pursuant to 11 U.S.C. § 105(a), Movant Steven P. Endres, *pro se*, hereby contests the petition for relief of Spirit Airlines, Inc. *et al* (“Spirit”) to prevent an abuse of process because the petition is a fraud on this Court and on the United States of America. In addition, Movant Endres petitions the Court for immediate relief from the automatic stay without notice, pursuant to his Fifth Amendment right to Due Process.

2. Spirit seeks to defraud the United States of America by claiming title to “permanently allocated” reservations to use the national airspace (which Spirit also refers to as “takeoff and landing slots, slot exemptions, and operating authorizations from the FAA”). ECF 2 (Nov. 18, 2024), section 4.32 at 240. The only property right that the Congress has authorized the Secretary of Transportation to grant an air carrier is the certificate of public convenience and necessity, 49 U.S.C. § 41101; there is no regulatory right or privilege for a reservation to use the public airspace.¹ The Congress claimed title to the navigable airspace for the public.² (To ¶3.) The Supreme Court ruled in 1946 that:

¹ See Movant’s Memorandum of the Statutory Scheme in Support of his Motion (Jan. 17, 2025), ¶¶23, 46-52.

² Civil Aeronautics Act of 1938, Pub. L. 75-706, §3, 52 Stat. 973, 980 (1938), *codified at* 49 U.S.C. § 403 (1940). See also, Federal Aviation Act of 1958, Pub. L. 85-726, §104, 72 Stat. 731, 740 (1958), *codified at* 49 U.S.C. § 40103(a)(2) (“A citizen of the United States has a public right of transit through the navigable airspace.”).

The air is a public highway, as Congress has declared. Were that not true, every transcontinental flight would subject the operator to countless trespass suits. Common sense revolts at the idea. To recognize such private claims to the airspace would clog these highways, seriously interfere with their control and development in the public interest, and transfer into private ownership that to which only the public has a just claim.³

3. (From ¶2.) Spirit has no interest in the airspace reservations as Spirit, and its co-conspirators of the International Air Transport Association’s (“IATA”) Worldwide Slot Guidelines (“WSG”) Conspiracy, purloined the seasonal reservations to use the public’s airspace from Movant’s multi-sided airspace reservation market.⁴ The IATA WSG Conspiracy then allocated the airspace reservations for free to Spirit with the grandfathering rules of a horizontal agreement among carriers.⁵ (To ¶4.)

4. (From ¶3.) The IATA WSG agreement is a self-proclaimed entitlement to a future market allocation outside of a competitive market – and is based on grandfathering,⁶ which was explicitly prohibited by the Congress.⁷ Spirit has admitted that the airspace reservations are public assets.⁸ Spirit has admitted that the IATA WSG is an agreement to allocate the market of

⁴ *Endres v. Air Canada et al*, Case 1:24-cv-00883, ECF 1, Complaint (D.D.C. Mar. 24, 2024), Doc. 830, Movants Exhibit (“ME”) ME-AD1 201, ¶391 at 401.

⁴ *Endres v. Air Canada et al*, Case 1:24-cv-00883, ECF 1, Complaint (D.D.C. Mar. 24, 2024), Doc. 830, Movants Exhibit (“ME”) ME-AD1 201, ¶391 at 401.

⁵ *See id.*, ¶400.

⁶ *See* International Air Transport Association Worldwide Slot Guidelines, Edition 9, Dkt. FAA-2020-0862-0244 (Dec. 18, 2020), Doc. 69, Case 1:24-cv-00883 (D.D.C.), ECF 104-5, PE-D1 136; ME-AD1 1, § 8.1.1(f) at 39 (“An airline *is entitled* to retain a series of slots for the next equivalent season if they were operated at least 80% of the time during the period for which they were allocated. This is referred to as historic precedence.” (emphasis added)).

⁷ *See* Movant’s Memorandum of the Statutory Scheme in Support of his Motion (Jan. 17, 2025), ¶47.

⁸ *See* Spirit Airlines Comment, Dkt. FAA-2020-0862 (Dec. 29, 2020), Case 1:24-cv-00883, ECF 104-17, Doc. 333, PE-J 134; ME-AD1 63 at 66 (“Contrary to what legacy carriers assert, slots are a public resource[.]”) (*note that* Joanne W. Young of Kirstein & Young PLLC filed this comment as Spirit’s outside attorney, and is in this Court representing Spirit, ECF 283 (Dec. 23, 2024).

takeoff and landing reservations.⁹ Spirit has admitted that the IATA WSG is “the system by which all global air travel is coordinated[.]”¹⁰ (To ¶5.)

5. (From ¶4.) Spirit “pledged” the future grandfathered allocation of these seasonal public airspace reservations as collateral for its private loans. ECF 2, ¶31 at 12 and Schedule 2, No. 2 Citibank, N.A. at 29. Spirit failed to list these assets in its filings with the Court. ECF 312, Schedule of Assets and Liabilities, pages 28-50; ECF 313, Part 11, Property the Debtor Holds or Controls That the Debtor Does Not Own, Question 21 at 28, 418. (To ¶6.)

6. (From ¶5.) Spirit seeks to manipulate this Court to monetize public airspace assets indirectly through a change of control by a bankruptcy proceeding that it could not accomplish directly through a merger, which was enjoined by a U.S. District Court.¹¹ Spirit has joined a long line of bankruptcy fraud committed to monetize public airspace assets.¹² (To ¶9.)

7. Spirit seeks to defraud this Court by claiming that “[t]he Debtors do not believe that there are any material actions or proceedings, pending or threatened, in which a judgment against it or a seizure of their property is imminent.” ECF 2 (Nov. 18, 2024), Schedule 8 at 37. Whereas on March 24, 2024, Movant filed his complaint against Spirit in federal court involving damages from antitrust violations of \$204,452,426,000, ¶509; damages from Racketeering Influenced and

⁹ See *Endres v. Moody et al*, Case 1:23-cv-12051, Defendants’ Memorandum of Law, ECF 121 (D.Mass. Dec. 8, 2023), Case 1:24-cv-00883 (D.D.C.), ECF 104-20, Doc. 425, PE-N1 1; ME-AD1 73 at 74 (“From what Defendants can discern, Plaintiff takes issue with the Worldwide Slot Guidelines (“WSG”), which are global guidelines established by relevant trade associations setting forth a system by which airlines and airport owners and operators can allocate reservations for flight take offs and landings.”).

¹⁰ See *Endres v. Air Canada et al*, Case 1:24-cv-00883, Defendants’ Memorandum of Law, ECF 97-1 (D.D.C. Jul. 30, 2024), Doc. 831, ME-AD1 449 at 454.

¹¹ See *U.S.A. et al v. JetBlue Airways Corp. et al*, Case 1:23-cv-10511, ECF 461, Findings of Fact and Conclusions of Law (D. Mass. Jan. 16, 2024); Case 1:24-cv-00883 (D.D.C.), ECF 145-2, Doc. 803, PE-Y1 93; ME-AD1 88.

¹² See *Endres v. Air Canada et al*, Case 1:24-cv-00883, ECF 1, Complaint (D.D.C. Mar. 24, 2024), Doc. 830, ME-AD1 201, US Airways 2002, ¶232; United Airlines 2002, ¶233; Delta Air Lines 2005, ¶234, AMR Corp. and US Airways 2011, ¶235; and LATAM Airlines 2020, ¶237.

Corrupt Organizations violations of \$768,544,987,000, ¶518; and forfeiture of its air carrier investment, ¶545.¹³ Spirit was served a summons and the complaint on May 13, 2024;¹⁴ appeared on July 2, 2024,¹⁵ and filed a motion to dismiss for lack of subject matter jurisdiction on July 30, 2024, which is pending.¹⁶

8. Spirit seeks to defraud this Court by claiming that “[n]o Legal Proceeding by or before any Governmental Entity . . . involving any of the Debtors or their respective Subsidiaries with respect to Money Laundering Laws is pending[.]” ECF 2, section 4.25(a) at 237. Whereas Movant filed his complaint against Spirit involving money laundering violations on March 24, 2024.¹⁷

9. (From ¶6.) Spirit seeks to defraud this Court by claiming that the “core assets of Spirit’s loyalty programs” collateralize a \$1.1 billion note, ECF 2, Schedule 2, No. 1 Wilmington Trust at 29, but fails to list or identify these core assets. Spirit failed to list the core liability of the loyalty program — its outstanding carrier-currency (“Free Spirit points”, ECF 2, ¶24 at 9), which represents a bundled amount of future passenger airspace capacity and aircraft capacity for which it has billed its corporate and government customers and allocated to employees of its

¹³ See *Endres v. Air Canada et al*, Case 1:24-cv-00883, ECF 1, Complaint (D.D.C.), Doc. 830, ME-AD1 201 at 430, 433, and 439, respectively.

¹⁴ *Endres v. Air Canada et al*, Case 1:2024-cv-00883, ECF 39, Proof of Service (D.D.C. May 23, 2024), Doc. 877, ME-AD1 545.

¹⁵ *Endres v. Air Canada et al*, Case 1:2024-cv-00883, ECF 46, Spirit’s Motion for Extension to Respond (D.D.C. May 30, 2024), Doc. 878, ME-AD1 546.

¹⁶ See *Endres v. Air Canada et al*, Case 1:2024-cv-00883, ECF 97, Motion to Dismiss (D.D.C. Jul. 30, 2024), Doc. 832, ME-AD1 469.

¹⁷ See *Endres v. Air Canada et al*, Case 1:24-cv-00883, ECF 1, Complaint (D.D.C.), Doc. 830, ME-AD1 201, ¶¶400-404, 410-420, 421-427, 428-438, 439-441, 442-451, 452-459, 465-469, and 481-487 beginning at 403.

customers.¹⁸ The carrier-currency is the primary instrument for money-laundering the passenger portion of the purloined airspace reservations.¹⁹

10. Spirit seeks to manipulate this Court to monetize public airport assets (at which it holds an unlawful exclusive long-term lease²⁰) indirectly through a change of control by a bankruptcy proceeding that it could not accomplish directly through a merger.²¹ Spirit did not disclose the value of the right-of-use assets.²² In addition, many of the airports where Spirit provides air transportation are imminently changing control as the airport operator, owner, or other government official has colluded with Spirit and the larger IATA WSG Conspiracy to violate antitrust and RICO laws, such as the airports in Newark, New Jersey; and Fort Lauderdale, Miami, Orlando, Pensacola, West Palm Beach, and Tampa, Florida.²³

11. Spirit seeks to defraud this Court by failing to disclose the other parties to the pre-determined bankruptcy plan — (a) the people currently controlling Spirit,²⁴ including a joint venture that is managed by Securities Industry and Financial Markets Association (“SIFMA”), of which Spirit’s beneficial owners The Vanguard Group, Fidelity, and BlackRock, Inc. are

¹⁸ See *id.*, ¶¶221-231 at 314.

¹⁹ See *id.*, ¶¶439-459 at 413.

²⁰ See 49 U.S.C. § 40117 (f)(1) (“A project financed with a passenger facility charge may not be subject to an exclusive long-term lease or use agreement of an air carrier or foreign air carrier[.]”).

²¹ See (a) ECF 312, Part 9, Question 55 at 37 (showing 114 airport properties leased); (b) ECF 312, ¶14 at (“The Debtors excluded from the Schedules and Statements the future obligations of any capital or operating leases.”); (c) ECF 312, Schedule G at 425 (no airport gate leases) (d) Spirit Airlines, Inc. SEC Form 10-K, (Feb. 9, 2024), Doc. 876, ME-AD2 1, Item 2 Ground Facilities at 45 (“We lease all of our facilities at each of the airports we serve . . . Our leases for terminal passenger service facilities, which include ticket counter and gate space, operations support areas and baggage service offices, generally have a term ranging from month-to-month to 24 years[.]”).

²² ECF 312, Part 9, Question 55 at 37.

²³ See *Endres v. Air Canada et al*, Case 1:24-cv-00883, ECF 1, Complaint (D.D.C. Mar. 24, 2024), Doc. 830, ME-AD1 201, ¶¶558, 565 at 442.

²⁴ ECF 313 (Jan. 2, 2025), SOFA Question 28 at 428.

directors and members;²⁵ directors and members Citigroup, Barclays, Morgan Stanley, and Deutsche Bank, which collectively committed \$300 million Exit Revolving Credit Facility, ECF 357-1; directors and members U.S. Bank, Wells Fargo, and JPMorgan Chase, which each hold bank or brokerage accounts for Spirit, ECF 312 at 29; member American Express (“Amex”), which provides business travel related services, ECF 312 at 455;²⁶ members Davis Polk & Wardwell LLP and Debevoise & Plimpton LLP, law firms representing Spirit in this Court; and member Willkie Farr & Gallagher LLP, the law firm representing the Official Committee of Unsecured Creditors in this Court; and (b) the people who expect to control new-Spirit pursuant to the proposed bankruptcy plan.²⁷

12. Therefore, Movant Endres petitions the Court for immediate relief from the automatic stay without notice.

²⁵ See **(a)** Securities Industry and Financial Markets Association (SIFMA) IRS Form 990 (Aug. 28, 2024), Doc. 869, ME-AD1 474; **(b)** SIFMA Member Directory (Jan. 15, 2025), Doc. 870, ME-AD1 506; **(c)** SIFMA Board & Officers (Jan. 15, 2025), Doc. 871, ME-AD1 517; **(d)** The Vanguard Group, SEC Schedule 13G (Nov. 12, 2024), Doc. 872, ME-AD1 531; **(e)** The Vanguard Group, SEC Schedule 13G (Feb. 13, 2024), Doc. 873, ME-AD1 533; **(f)** FMR LLC, SEC Schedule 13G (Feb. 9, 2024), Doc. 874, ME-AD1 537 (joint filing with Fidelity Management & Research Company LLC IA and Strategic Advisers LLC IA); and **(g)** BlackRock, Inc., SEC Schedule 13G (Jan. 26, 2024), Doc. 875, ME-AD1 540.

²⁶ See **(a)** U.S.A. and American Express Company, Settlement Agreement (Jan. 16, 2025), Doc. 883, ME-AD2 1382; **(b)** Department of Justice Press Release, American Express Agrees to Pay \$108.7M to Settle Allegations of Deceptive Marketing and “Dummy” Account Information (Jan. 16, 2025), Doc. 884, ME-AD2 1392; **(c)** U.S.A.O. and American Express Company, Non-Prosecution Agreement (Jan. 15, 2025), Doc. 885, ME-AD2 1395 (*note that Amex’s attorney is employed by its joint venture partner Debevoise & Plimpton LLP*); **(d)** Department of Justice Press Release, American Express Agrees to Pay More Than \$138 Million to Resolve Wire Fraud Investigation In Connection With The Sales And Marketing Of Wire Products (Jan. 16, 2025), Doc. 886, ME-AD2 1419; and **(e)** *U.S.A. v. Global Business Travel Group, Inc. et al* [Amex GBT], Complaint (SDNY Jan. 10, 2025), Doc. 887, ME-AD2 1423.

²⁷ ECF 2 (Nov. 18, 2024), ¶5 (“Pursuant to the [Restructuring Support Agreement], the Consenting Stakeholders—who collectively hold approximately 80% of the debt to be restructured under the Plan, and over two thirds in amount of each of the Plan’s voting classes—have agreed to support what is expected to be a swift chapter 11 process[.]” (emphasis added)). See also, ECF 248 at 155-156 (Spirit withheld pages from its Restructuring Support Agreement of the names and signatures of the parties thereto, the “Consenting Stakeholders,” defined at 112 as the unnamed Consenting Convertible Noteholders together with the Consenting Senior Secured Noteholders).

OATH

I declare under penalty of perjury that the foregoing is true and correct. Signed January
18, 2025.

/s/ Steven P. Endres
Steven P. Endres — PRO SE

4338 Hillside Dr
Ann Arbor, Michigan 48105
steve@exhaustless.com
1-(734) 945-9231