

Edgar Filing: HEICO CORP - Form DEF 14A

HEICO CORP
Form DEF 14A
February 28, 2005

SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES
EXCHANGE ACT OF 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the
Commission Only (as permitted
by
Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to Rule 14a-12

HEICO CORPORATION

(Name of Registrant As Specified In Its Charter)

N/A

(Name of Person(s) Filing Proxy Statement if other than the Registrant)

Payment of filing fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant
to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee
is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

 Fee paid previously with preliminary materials.

 Check box if any part of the fee is offset as provided by Exchange Act
Rule 0-11(a)(2) and identify the filing for which the offsetting fee was
paid previously. Identify the previous filing by registration statement

Edgar Filing: HEICO CORP - Form DEF 14A

number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

HEICO CORPORATION
3000 Taft Street, Hollywood, Florida 33021

Notice of Annual Meeting of Shareholders
To Be Held March 25, 2005

The Annual Meeting of Shareholders of HEICO Corporation, a Florida corporation ("HEICO" or the "Company"), will be held on March 25, 2005 at 10:00 a.m., Eastern Standard Time, at the J.W. Marriott Miami Hotel, 1109 Brickell Avenue, Miami, Florida, for the following purposes:

1. To elect a Board of Directors for the ensuing year;
2. To ratify the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the fiscal year ending October 31, 2005; and
3. To transact such other business as may properly come before the meeting or any adjournments thereof.

Only holders of record of HEICO Common Stock and Class A Common Stock as of the close of business on January 18, 2005 will be entitled to vote at the Meeting.

You are requested, regardless of the number of shares owned, to sign and date the enclosed proxy and to mail it promptly, or to use the telephone or Internet voting systems set forth in the proxy. You may revoke your proxy either by a written notice to HEICO or in person at the meeting (without affecting any vote previously taken).

BY ORDER OF THE BOARD OF DIRECTORS

Laurans A. Mendelson
Chairman of the Board,
President and Chief Executive Officer
February 23, 2005

Edgar Filing: HEICO CORP - Form DEF 14A

HEICO CORPORATION
3000 Taft Street, Hollywood, Florida 33021

PROXY STATEMENT

This Proxy Statement is furnished to the shareholders of HEICO Corporation ("HEICO" or the "Company") in connection with the solicitation of proxies by HEICO's Board of Directors for use at the Annual Meeting of Shareholders of HEICO to be held at the J.W. Marriott Miami Hotel, 1109 Brickell Avenue, Miami, Florida, 33131 on Friday, March 25, 2005 at 10:00 a.m., Eastern Standard Time. This Proxy Statement is first being mailed to shareholders on or about February 25, 2005.

At the annual meeting, the shareholders will be asked to elect a Board of Directors (Board); to ratify the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the fiscal year ending October 31, 2005; and to vote on any other business which properly comes before the meeting.

The Board of Directors of HEICO urges you to promptly date, sign and mail your proxy, or to use the telephone or Internet voting systems set forth in the proxy, in the form enclosed with this Proxy Statement, to make certain that your shares are voted at the meeting. Proxies in the enclosed or other acceptable form that are received in time for the meeting will be voted. However, you may revoke your proxy at any time prior to its use by a revocation in writing or a later dated proxy that is received in sufficient time by HEICO prior to the Annual Meeting; and, if you attend the meeting, you may vote your shares in person.

If your proxy is received in time for the meeting, it will be voted in the manner specified by you in the proxy. If you do not specify a choice, the proxy will be voted as indicated in the form of proxy.

HEICO will bear the expense of soliciting proxies in the accompanying form. Solicitations will be by mail, and directors, officers and regular employees of HEICO may solicit proxies personally or by telephone, telegram or special letter. HEICO will also employ D. F. King & Co., 48 Wall Street, New York, New York 10005, to assist in soliciting proxies for a fee of \$5,500 plus related out-of-pocket expenses.

Only holders of record of HEICO Common Stock, \$0.01 par value per share (the "Common Stock"), and Class A Common Stock, \$0.01 par value per share (the "Class A Common Stock"), as of the close of business on January 18, 2005 will be entitled to vote at the meeting. On that date, there were outstanding 9,958,179 shares of Common Stock, each entitled to one vote, and 14,448,110 shares of Class A Common Stock, each entitled to 1/10th vote per share.

VOTING REQUIREMENTS

The presence, in person or by proxy, of the holders of a majority of the voting power of the shares of all classes of the Company's common stock entitled to vote shall constitute a quorum at the annual meeting of shareholders. If a quorum is present, the affirmative vote of a majority of the voting power of the shares of all classes of the Company's common stock represented in person or by proxy at the annual meeting and entitled to vote on the subject matter at the

Edgar Filing: HEICO CORP - Form DEF 14A

annual meeting shall be required to elect members of the Board of Directors.

A proxy submitted by a shareholder may indicate that all or a portion of the shares represented by such proxy are not being voted by such shareholder with respect to a particular matter ("non-voted shares"). This could occur, for example, when a broker is not permitted to vote shares held in "street name" on certain matters in the absence of instructions from the beneficial owner of the shares. Non-voted shares with respect to a particular matter will be counted for purposes of determining the presence of a quorum but will not be counted as shares present and

1

entitled to vote on such matter for purposes of voting, and therefore, will have no effect on matters brought to a vote at the annual meeting. Shares voted to abstain as to a particular matter and directions to "withhold authority" to vote for directors, will be counted for purposes of determining the presence of a quorum and will be counted as present and entitled to vote with respect to such matter for purposes of voting, and therefore, will have the effect of votes against the matters brought to a vote at the annual meeting.

Under the terms of the HEICO Savings and Investment Plan (the "Plan"), all shares allocated to the accounts of participating employees will be voted or not voted by the trustee of the Plan as directed by written instructions from the participating employees, and allocated shares for which no instructions are received and all unallocated shares will be voted by the trustee of the Plan in the same proportion as the shares for which instructions are received. Voting instruction cards are being mailed to all participants in the Plan. If a participant also owns shares outside the Plan, the participant must return both the proxy card and the voting instruction card as indicated on those cards in order to cause all of their shares to be voted in accordance with their instructions. To be assured that the trustee will receive voting instruction cards on a timely basis, voting instruction cards for shares in the Plan must be duly signed and received no later than March 23, 2005. The total number of shares in the Plan as of the record date represents approximately 9.76% of the voting power of all classes of common stock outstanding as of the record date and entitled to vote at the annual meeting.

2

VOTING SECURITIES OF PRINCIPAL SHAREHOLDERS AND MANAGEMENT

The following table sets forth information regarding the beneficial ownership of HEICO Common Stock and Class A Common Stock as of January 18, 2005 by (i) each person who is known to the Company to be the beneficial owner of more than 5% of the outstanding Common Stock or Class A Common Stock; (ii) the Chief Executive Officer and the other four most highly compensated executive officers; (iii) each of the directors of the Company; and (iv) all directors and executive officers of the Company as a group. Except as set forth below, the shareholders named below have sole voting and investment power with respect to all shares of Common Stock and Class A Common Stock shown as being beneficially owned by them.

SHARES BENEFICI

COMMON STOCK

Edgar Filing: HEICO CORP - Form DEF 14A

NAME AND ADDRESS OF BENEFICIAL OWNER/(1)/ -----	NUMBER -----	PERCENT -----
(a) Certain beneficial owners:		
Mendelson Reporting Group/(3)/.....	2,336,924	21.83%
Dr. Herbert A. Wertheim/(4)/.....	1,136,176	11.41%
State Street Research & Management Company/(5)/.....	896,010	9.00%
Investment Counselors of Maryland, LLC/(6)/.....	-	-
Royce & Associates, LLC/(7)/.....	819,900	8.23%
Dimensional Fund Advisors Inc./ (8)/.....	768,963	7.72%
Susquehanna Investment Group/(9)/.....	-	-
Rene Plessner Reporting Group/(10)/.....	540,497	5.43%
Wasatch Advisors, Inc./ (11)/.....	-	-
(b) Directors:		
Samuel L. Higginbottom/(12)/.....	9,749	*
Wolfgang Mayrhuber/(13)/.....	26,000	*
Eric A. Mendelson/(14)/.....	641,898	6.26%
Laurans A. Mendelson/(15)/.....	1,380,408	13.72%
Victor H. Mendelson/(16)/.....	629,182	6.11%
Albert Morrison, Jr./ (17)/.....	14,558	*
Joseph W. Pallot.....	*	*
Dr. Alan Schriesheim/(18)/.....	111,474	1.11%
(c) Executive officers listed in Summary Compensation Table who are not directors:		
Thomas S. Irwin/(19)/.....	458,743	4.52%
James L. Reum.....	10,454	*
All directors and executive officers as a group (10 persons)/(20)/...	2,967,902	26.88%
All directors, executive officers, the HEICO Savings and Investment Plan and the Mendelson Reporting Group as a group/(21)/	3,892,914	35.25%

* Represents ownership of less than 1%.

(1) Unless otherwise indicated, the address of each beneficial owner identified is c/o HEICO Corporation, 3000 Taft Street, Hollywood, Florida 33021.

3

(2) The number of shares of Common Stock and Class A Common Stock deemed outstanding includes (i) 9,958,179 shares of Common Stock outstanding as of January 18, 2005 (ii) 14,448,110 shares of Class A Common Stock outstanding as of January 18, 2005 and (iii) shares issuable upon exercise of stock options held by the respective person or group which are presently exercisable or which may be exercised within 60 days after January 18, 2005 as set forth below. Pursuant to the rules of the Securities and Exchange Commission, presently exercisable stock options and stock options that become exercisable within 60 days are deemed to be outstanding and to be beneficially owned by the person or group for the purpose of computing the percentage ownership of such person or group, but are not treated as outstanding for the purpose of computing the percentage ownership of any other person or group.

(3) The Mendelson Reporting Group consists of Laurans A. Mendelson; Eric A. Mendelson; Victor H. Mendelson; Mendelson International Corporation, a corporation whose stock is owned solely by Eric and Victor Mendelson and

Edgar Filing: HEICO CORP - Form DEF 14A

whose Chairman of the Board is Laurans A. Mendelson; LAM Limited Partners, a partnership whose sole general partner is a corporation controlled by Arlene Mendelson, the wife of Laurans A. Mendelson; LAM Alpha Limited Partners, a partnership whose sole general partner is a corporation controlled by Laurans A. Mendelson; EAM Management Limited Partners, a partnership whose sole general partner is a corporation controlled by Eric A. Mendelson; VHM Management Limited Partners, a partnership whose sole general partner is a corporation controlled by Victor H. Mendelson; and the Victor H. Mendelson Revocable Investment Trust, whose grantor, sole presently vested beneficiary and trustee is Victor H. Mendelson. Includes 744,822 shares of Common Stock and 428,857 shares of Class A Common Stock subject to stock options that are presently exercisable or exercisable within 60 days after January 18, 2005. See Notes (14), (15) and (16) below. The address of the Mendelson Reporting Group is 825 Brickell Bay Drive, 16th Floor, Miami, Florida 33131.

- (4) The address of Dr. Wertheim is 191 Leucadendra Drive, Coral Gables, Florida 33156.
- (5) Based on information in a Schedule 13G filed on January 27, 2005, all shares are held in portfolios of certain mutual funds and/or institutional accounts managed by State Street Research & Management Company, a registered investment advisor. The address of State Street Research & Management Company is One Financial Center, 31st Floor, Boston, Massachusetts 02111.
- (6) Based on information in a Schedule 13G filed on February 3, 2005, all shares are held in portfolios of advisory clients of Investment Counselors of Maryland, LLC, a registered investment advisor. The address of Investment Counselors of Maryland, LLC is 803 Cathedral Street, Baltimore, Maryland 21201.
- (7) Based on information in a Schedule 13G filed on January 28, 2005, all shares are held in portfolios of certain mutual funds and/or institutional accounts managed by Royce & Associates, LLC, a registered investment advisor. The address of Royce & Associates, LLC is 1414 Avenue of the Americas, New York, New York 10019.
- (8) Based on information in a Schedule 13G/A filed on February 9, 2005, all shares are held in managed accounts of Dimensional Fund Advisors Inc., a registered investment advisor. The address of Dimensional Fund Advisors Inc. is 1299 Ocean Avenue, 11th Floor, Santa Monica, California 90401.
- (9) Based on information in a Schedule 13G/A filed on February 11, 2005, all shares are held by Susquehanna Investment Group, registered brokers or dealers. The address of Susquehanna Investment Group is One Commerce Center, 1201 N. Orange Street, S-715, Wilmington, Delaware 19801.
- (10) Based on information in a Schedule 13D dated February 24, 2002 filed by Mr. Plessner individually and as sole Trustee for the Rene Plessner Associates, Inc. Profit Sharing Plan. Reflects 107,127 shares of Common Stock held by Mr. Plessner and 433,370 shares of Common Stock held by the Rene Plessner Associates, Inc. Profit Sharing Plan, an employee profit sharing plan of Rene Plessner Associates, Inc., an executive search company. The address of Rene Plessner Reporting Group is 200 East 74th Street, Penthouse A, New York, New York 10021.
- (11) Based on information in a Schedule 13G/A filed on February 14, 2005, all shares are held in portfolios of advisory clients of Wasatch Advisors,

Edgar Filing: HEICO CORP - Form DEF 14A

Inc., a registered investment advisor. The address of Wasatch Advisors, Inc. is 150 Social Hall Avenue, Salt Lake City, Utah 84111.

- (12) Includes 6,000 shares of Common Stock and 600 shares of Class A Common Stock subject to stock options that are presently exercisable or exercisable within 60 days after January 18, 2005.
- (13) Includes 26,000 shares of Common Stock and 20,530 shares of Class A Common Stock subject to stock options that are presently exercisable or exercisable within 60 days after January 18, 2005.
- (14) Includes 157,282 shares of Common Stock and 147,409 shares of Class A Common Stock held by Mendelson International Corporation; 82,360 shares of Common Stock held by EAM Management Limited Partners; 302,810 shares of Common Stock and 145,067 shares of Class A Common Stock subject to stock options that are presently exercisable or exercisable within 60 days after January 18, 2005; 19,531 shares of Common Stock and 18,713 shares of Class A Common Stock held by the HEICO Savings and Investment Plan and allocated to Eric A. Mendelson's account; and 950 shares of Common Stock and 1,094 shares of Class A Common Stock owned by Eric A. Mendelson's children. See Note (3) above.
- (15) Laurans A. Mendelson disclaims beneficial ownership with respect to 157,282 shares of Common Stock and 147,409 shares of Class A Common Stock, respectively, of these shares, which are held in the name of Mendelson International Corporation and 45,441 shares of Common Stock and 16,319 shares of Class A Common Stock, which were donated to and are presently held by the Laurans A. and Arlene H. Mendelson Charitable Foundation, Inc., of which Mr. Mendelson is President. Includes 1,046,155 shares of Common Stock and 699,216 shares of Class A Common Stock held solely by Mr. Mendelson or LAM Limited Partners or LAM Alpha Limited Partners. Also includes 106,257 shares of Common Stock and 105,888 shares of Class A Common Stock subject to stock options that are presently exercisable or exercisable within 60 days after January 18, 2005 and 25,273 shares of Common Stock and 24,320 shares of Class A Common Stock held by the HEICO Savings and Investment Plan and allocated to Laurans A. Mendelson's account. See Notes (3), (14) and (16).
- (16) Includes 157,282 shares of Common Stock and 147,409 shares of Class A Common Stock held by Mendelson International Corporation; 36,180 shares of Common Stock held by VHM Management Limited Partners; 335,755 shares of Common Stock and 177,902 shares of Class A Common Stock subject to stock options that are presently exercisable or exercisable within 60 days after January 18, 2005 of which 50,000 shares of Common Stock are held by the Victor H. Mendelson Revocable Investment Trust; 15,910 shares of Common Stock and 15,163 shares of Class A Common Stock held by the HEICO Savings and Investment Plan and allocated to Victor H. Mendelson's account; and 1,000 shares of Common Stock and 1,110 shares of Class A Common Stock owned by Victor H. Mendelson's children. See Note (3) above.
- (17) Includes 6,000 shares of Common Stock subject to stock options that are presently exercisable or exercisable within 60 days after January 18, 2005. Albert Morrison, Jr.'s voting and dispositive power with respect to 6,966 shares of Common Stock and 8,516 shares of Class A Common Stock is held indirectly through Sheridan Ventures, Inc., a corporation of which Mr. Morrison is the President, but not a shareholder.
- (18) Includes 111,182 shares of Common Stock and 110,795 shares of Class A Common Stock subject to stock options that are presently exercisable or exercisable within 60 days after January 18, 2005 and 2,000 shares of Class A Common Stock owned by the estate of Dr. Schriesheim's wife.

Edgar Filing: HEICO CORP - Form DEF 14A

(19) Includes 190,862 shares of Common Stock and 84,371 shares of Class A Common Stock subject to stock options that are presently exercisable or exercisable within 60 days after January 18, 2005 and 33,342 shares of Common Stock and 32,310 shares of Class A Common Stock held by the HEICO Savings and Investment Plan and allocated to Thomas S. Irwin's account.

5

(20) Includes 1,084,866 shares of Common Stock and 645,153 shares of Class A Common Stock subject to stock options that are presently exercisable or exercisable within 60 days after January 18, 2005. The total for all directors and executive officers as a group (10 persons) also includes 94,056 shares of Common Stock and 90,506 shares of Class A Common Stock held by the HEICO Savings and Investment Plan and allocated to accounts of the executive officers pursuant to the Plan.

(21) Includes 2,336,924 shares of Common Stock and 1,362,224 shares of Class A Common Stock owned by the Mendelson Reporting Group and 1,019,068 shares of Common Stock and 935,399 shares of Class A Common Stock held by the HEICO Savings and Investment Plan of which 742,208 shares of Common Stock and 664,932 shares of Class A Common Stock are allocated to participants in the Plan, including 94,056 shares of Common Stock and 90,506 shares of Class A Common Stock allocated to the directors, executive officers and members of the Mendelson Reporting Group, and of which 276,860 shares of Common Stock and 270,467 shares of Class A Common Stock are unallocated as of January 18, 2005.

6

PROPOSAL TO ELECT DIRECTORS
(Proposal No. 1)

Each of the eight individuals named in the table below has been nominated by the Board of Directors of the Company for election to the Board of Directors at the annual meeting to serve until the next annual meeting or until his successor is elected and qualified. All of the nominees are currently serving on the Board of Directors. The Board of Directors has no reason to believe that any of the nominees will not be a candidate or will be unable to serve.

NAME	AGE	CORPORATE OFFICE OR POSITION	DIRE
Samuel L. Higginbottom	83	Director	
Wolfgang Mayrhuber	57	Director	
Eric A. Mendelson	39	President - Flight Support Group; President and Chief Executive Officer of HEICO Aerospace Holdings Corp; and Director	
Laurans A. Mendelson	66	Chairman of the Board; President and Chief Executive Officer; and Director	
Victor H. Mendelson	37	President - Electronic Technologies Group and General Counsel of the Company; President and Chief Executive Officer of HEICO Electronic Technologies Corp.; and Director	
Albert Morrison, Jr.	68	Director	
Joseph W. Pallot	44	Director	
Dr. Alan Schriesheim	74	Director	

Edgar Filing: HEICO CORP - Form DEF 14A

BUSINESS EXPERIENCE OF NOMINEES

Samuel L. Higginbottom is a retired executive officer of Rolls Royce, Inc. (an aircraft engine manufacturer), where he served as Chairman, President and Chief Executive Officer from 1974 to 1986. He was the Chairman of the Columbia University Board of Trustees from 1982 until September 1989. He was President, Chief Operating Officer and a director of Eastern Airlines, Inc., from 1970 to 1973 and served in various other executive capacities with that company from 1964 to 1969. Mr. Higginbottom was a director of British Aerospace Holdings, Inc., an aircraft manufacturer, from 1986 to 1999 and was a director of AmeriFirst Bank from 1986 to 1991. He is a Trustee Emeritus of St. Thomas University, Miami, Florida.

Wolfgang Mayrhuber was elected to the Board of Directors in 2001 after serving as Advisor to the Board of Directors of the Company since 1997. Mr. Mayrhuber has served as Chairman of the Executive Board and Chief Executive Officer of Deutsche Lufthansa AG ("Lufthansa") since June 2003. He has served with Lufthansa since 1970, and has held various senior management positions for the maintenance and overhaul of aircraft, components and engines. In 1992, Mr. Mayrhuber was appointed Executive Vice President and Chief Operating Officer Technical at Lufthansa. In 1994, he became Chairman of the Executive Board of Lufthansa Technik AG. In 2001, Mr. Mayrhuber was appointed to the Executive Board of Deutsche Lufthansa AG.

Eric A. Mendelson has been an employee of the Company since 1990, serving in various capacities. Mr. Mendelson has served as Executive Vice President of the Company since 2001, President and Chief Executive Officer of HEICO Aerospace Holdings Corp. (HEICO Aerospace), a subsidiary of HEICO, since its formation in 1997 and President of HEICO Aerospace Corporation since 1993. Mr. Mendelson is a co-founder, and, since 1987, has been Managing Director of Mendelson International Corporation, a private investment company which is a shareholder of HEICO. Eric Mendelson is the son of Laurans Mendelson and the brother of Victor Mendelson.

7

Laurans A. Mendelson has served as Chairman of the Board of the Company since December 1990. He has also served as Chief Executive Officer of the Company since February 1990 and President of the Company since September 1991. HEICO Corporation is a member of the Aerospace Industries Association (AIA) in Washington D.C., and Mr. Mendelson has frequently served on the Board of Governors of AIA. He is also Vice-Chairman of the Board of Trustees, member of the Executive Committee and member of the Society of Mt. Sinai Founders of Mt. Sinai Medical Center in Miami Beach, Florida. In addition, Mr. Mendelson served as a Trustee of Columbia University in The City of New York from 1995 to 2001, as well as Chairman of the Trustees' Audit Committee. Mr. Mendelson currently serves as Trustee Emeritus of Columbia University and is a member of the Trustees' Finance and Audit Committees. Mr. Mendelson is a Certified Public Accountant. Laurans A. Mendelson is the father of Eric Mendelson and Victor Mendelson.

Victor H. Mendelson has been associated with the Company since 1990, serving in various capacities. Mr. Mendelson has served as Executive Vice President of the Company since 2001, President and Chief Executive Officer of HEICO Electronic Technologies Corp., a subsidiary of HEICO, since September 1996 and as General Counsel of the Company since 1993. He was the Chief Operating Officer of the Company's former MediTek Health Corp. subsidiary from 1995 until its profitable sale in 1996. Mr. Mendelson is a co-founder, and, since 1987, has been President of Mendelson International Corporation, a private investment company which is a shareholder of HEICO. He is a Trustee of the Greater Miami

Edgar Filing: HEICO CORP - Form DEF 14A

Chamber of Commerce and a Director of the Florida Grand Opera. Victor Mendelson is the son of Laurans Mendelson and the brother of Eric Mendelson.

Albert Morrison, Jr. is a retired executive officer of Morrison, Brown, Argiz & Company, a certified public accounting firm located in Miami, Florida, where he served as Chairman from 1971 to January 2003. He serves as the Chairman of the Miami-Dade County Industrial Development Authority. Mr. Morrison also serves as a director of Logic Devices, Inc., a computer electronics company, and as a member of the Board of Directors of the Florida International University Foundation.

Joseph W. Pallot has been a Shareholder of Devine Goodman Pallot & Wells, P.A., a Miami, Florida-based transactional and litigation boutique law firm since 2000. From 1993 to 2000 he was a Partner of the law firm of Steel Hector & Davis LLP. Mr. Pallot also serves on the board of directors and executive committee of the Beacon Council (Miami-Dade County, Florida's official economic development organization).

Dr. Alan Schriesheim is retired from the Argonne National Laboratory, where he served as Director from 1984 to 1996. From 1983 to 1984, he served as Senior Deputy Director and Chief Operating Officer of Argonne. From 1956 to 1983, Dr. Schriesheim served in a number of capacities with Exxon Corporation in research and administration, including positions as General Manager of the Engineering Technology Department for Exxon Research and Engineering Co. and Director of Exxon's Corporate Research Laboratories. Dr. Schriesheim is also a member of the Board of the Children's Memorial Hospital of Chicago, Illinois.

CORPORATE GOVERNANCE, BOARD COMMITTEES AND MEETINGS

During the fiscal year ended October 31, 2004, the Board of Directors held five meetings. The Board of Directors has determined that Mr. Higginbottom, Mr. Mayrhuber, Mr. Morrison, Mr. Pallot and Dr. Schriesheim have met the standards of independence as set forth in the Company's Corporate Governance Guidelines, which are consistent with the standards established by the New York Stock Exchange.

The Board of Directors has an Executive Committee, a Nominating and Corporate Governance Committee, a Compensation Committee, a Finance/Audit Committee, an Environmental, Safety and Health Committee and a Stock Option Plan Committee. Committee member appointments are re-evaluated annually and approved by the Board of Directors at its next regularly scheduled meeting that follows the annual meeting of shareholders. Information regarding each of the current committees is as follows:

8

The Executive Committee has such powers as are delegated by the Board of Directors, which may be exercised while the Board of Directors is not in session, provided such powers are not in conflict with specific powers conferred to other committees or are otherwise contrary to law. The Executive Committee did not meet in fiscal 2004 and its members consist of Mr. Laurans Mendelson (Committee Chairman), Mr. Higginbottom and Dr. Schriesheim.

The Nominating and Corporate Governance Committee assists the Board of Directors in identifying and recommending to the Board qualified individuals to be nominated as director; makes recommendations concerning committee membership, appointments and director compensation; periodically reviews and recommends to the Board of Directors updates to the Company's Corporate Governance Guidelines; assists the Board and the Company in interpreting and applying the Company's Corporate Governance Guidelines and Code of Business Conduct; and oversees the annual evaluation of management and of the Board of Directors. The Nominating

Edgar Filing: HEICO CORP - Form DEF 14A

and Corporate Governance Committee met two times in fiscal 2004 and its members consist of Mr. Higginbottom (Committee Chairman), Mr. Morrison and Dr. Schriesheim.

Prior to nominating an existing director for re-election to the Board of Directors, the Nominating and Corporate Governance Committee will consider the existing director's independence, if required, skills, performance and meeting attendance. The Nominating and Corporate Governance Committee will consider candidates recommended by shareholders (see the caption "Shareholder Proposals and Nominations" contained herein). In evaluating candidates for potential director nomination, the Nominating and Corporate Governance Committee will consider, among other things, candidates that are independent, if required; who possess personal and professional integrity; have good business judgment, relevant experience and skills; and who would be effective as a director in conjunction with the full Board of Directors in collectively serving the long-term interests of the Company's shareholders. All candidates will be reviewed in the same manner, regardless of the source of recommendation.

The Compensation Committee reviews and approves compensation of the Company's officers, key employees and directors. The Compensation Committee met two times in fiscal 2004 and its members consist of Mr. Higginbottom (Committee Chairman), Mr. Mayhuber, Mr. Morrison and Dr. Schriesheim. The Board of Directors has determined that each member of the Compensation Committee is independent in accordance with the New York Stock Exchange's listing standards. The annual report of the Compensation Committee is contained herein.

The Finance/Audit Committee oversees the quality and integrity of the accounting, auditing, internal control and financial reporting practices of the Company, including the appointment, compensation, retention and oversight of the work of the Company's independent auditor. The Finance/Audit Committee met four times in fiscal 2004 and its members consist of Mr. Morrison (Committee Chairman), Mr. Higginbottom, Mr. Pallot and Dr. Schriesheim. The Board of Directors has determined that each member of the Finance/Audit Committee is financially literate and independent in accordance with the New York Stock Exchange's listing standards and that Mr. Morrison is an "audit committee financial expert", as defined by the Securities and Exchange Commission (SEC). The annual report of the Finance/Audit Committee is contained herein.

The Environmental, Safety and Health Committee meets with the Company's senior management and oversees compliance in all matters relating to federal and state environmental, safety and health regulations. The Environmental, Safety and Health Committee met three times in fiscal 2004 and its members consist of Dr. Schriesheim (Committee Chairman), Mr. Mayhuber, Mr. Eric Mendelson and Mr. Victor Mendelson. The Environmental, Safety and Health Committee also visits Company operating locations on a periodic basis.

The Stock Option Plan Committee administers the Company's stock option plans and has authority to grant options, to determine the persons to whom and the times at which options are granted, and to determine the terms and provisions of each grant. The Stock Option Plan Committee met one time in fiscal 2004 and its members consist of Mr. Morrison (Committee Chairman) and Mr. Higginbottom.

Committee Charters of the Nominating and Corporate Governance Committee, Compensation Committee and Finance/Audit Committee are available on the Company's website.

Each of the directors attended 75% or more of the meetings of the Board of Directors and committees on which he served in fiscal 2004. The Company does not have a formal policy regarding attendance by members of

Edgar Filing: HEICO CORP - Form DEF 14A

the Board of Directors at the annual meeting of shareholders, but it encourages directors to attend and historically, most have done so. Six of the then seven members of the Board of Directors attended the 2004 annual shareholder meeting.

The non-management directors meet at least once per year in an executive session. The non-management directors elect a presiding director for each executive session among the chairs of Board committees on a rotating basis.

COMPENSATION OF DIRECTORS

Directors of the Company receive an annual retainer of \$35,000 and are required to purchase shares of HEICO common stock equivalent to one-third of the annual retainer (\$11,667). The Company accrues one-third of each directors' annual retainer and periodically purchases HEICO common stock on behalf of directors.

Directors are paid a fee of \$1,500 for each regular Board of Directors meeting attended and members of committees of the Board of Directors are paid a \$6,000 annual retainer for each committee served and \$1,000 for attendance at each committee meeting or site visit. In addition, committee chairmen are paid an annual retainer of \$2,500 for each committee chaired. During fiscal 2004, an aggregate of \$275,653 was paid or accrued to directors under the compensation arrangements described above (including \$73,945 to Samuel Higginbottom, \$50,878 to Wolfgang Mayrhuber, \$69,062 to Albert Morrison, Jr., \$6,179 to Joseph Pallot and \$75,589 to Dr. Alan Schriesheim), excluding amounts to Laurans A. Mendelson, Eric A. Mendelson and Victor H. Mendelson, which are reported in the Summary Compensation Table. Prior to March 1, 2004, per diem fees for other consulting services were paid to individual directors, as assigned by the Chairman of the Board, in the amount of \$600 per day. Effective March 1, 2004, such fees were discontinued. Through March of fiscal 2004, \$25,500 was paid to Samuel Higginbottom and \$1,200 to Dr. Alan Schriesheim for consulting services.

As of November 2003, the Company amended its Director's Retirement Plan to effectively freeze vested benefits. The Directors' Retirement Plan was adopted in 1991 in order to facilitate Director retirements and covered the then current directors of the Company. Four of the current eight Directors are covered under the Directors' Retirement Plan. Under the Directors' Retirement Plan, as amended, the four current Directors who are participants will receive annually the average retainer (\$19,000) such Director was paid during his service as a member of the Board of Directors payable in quarterly installments. These quarterly payments will continue for the same period of time that the participant served on the Board of Directors, not to exceed ten years. During fiscal 2004, \$88,175 was accrued pursuant to the Directors' Retirement Plan, while amounts totaling \$45,500 were paid, including \$4,750 to Samuel Higginbottom and \$4,750 to Dr. Alan Schriesheim.

RECOMMENDATION

THE BOARD OF DIRECTORS RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR EACH OF THE NOMINEES.

10

EXECUTIVE COMPENSATION

SUMMARY COMPENSATION TABLE

The following table provides the compensation earned by the Company's Chief Executive Officer and each of the four other most highly compensated

Edgar Filing: HEICO CORP - Form DEF 14A

executive officers of the Company or its subsidiaries (collectively, the "Named Executive Officers") during each of the past three fiscal years ended October 31:

NAME AND PRINCIPAL POSITION	FISCAL YEAR	ANNUAL COMPENSATION/ (1) /		
		SALARY	BONUS	OTHER/ (2) /
Laurans A. Mendelson Chairman of the Board, President and Chief Executive Officer	2004	\$ 651,557	\$ 585,000	\$ 44,551
	2003	595,000	-	32,269
	2002	595,000	90,000/ (4) /	30,401
Thomas S. Irwin Executive Vice President and Chief Financial Officer	2004	327,907	325,000	-
	2003	299,000	-	-
	2002	299,000	50,000/ (4) /	-
Eric A. Mendelson President - Flight Support Group; President and Chief Executive Officer of HEICO Aerospace Holdings Corp.	2004	327,907	325,000	42,525
	2003	299,000	-	26,801
	2002	299,000	50,000/ (4) /	26,801
Victor H. Mendelson President - Electronic Technologies Group and General Counsel of the Company; President and Chief Executive Officer of HEICO Electronic Technologies Corp.	2004	327,907	325,000	48,111
	2003	299,000	-	33,695
	2002	299,000	50,000/ (4) /	30,401
James L. Reum Executive Vice President of HEICO Aerospace Holdings Corp.	2004	51,163/ (10) /	-	-
	2003	68,555/ (10) /	-	-
	2002	50,185/ (10) /	-	-

(1) Salary and bonus amounts include amounts deferred by executive officers pursuant to a non-qualified deferred compensation plan available to selected employees. Under such deferred compensation plan, selected employees elected to defer a portion of their compensation through December 31, 2004. Amounts deferred are immediately vested and invested in individually directed investment accounts. Earnings on such investment accounts, which are maintained by a trustee, accrue to the benefit of the individual.

(2) Represents Directors' fees.

(3) Information has been adjusted retroactively to give effect to a 10% stock dividend paid in shares of Class A Common Stock in January 2004.

11

(4) Represents a special bonus related to the additional gain on the sale of Trilectron Industries, Inc. In fiscal 2000, the Company sold Trilectron for a substantial gain. In fiscal 2000, the Company paid cash bonuses to

Edgar Filing: HEICO CORP - Form DEF 14A

the executive officers contingent upon Trilectron's successful and profitable sale, but refrained from paying all of the amounts it reserved for these bonuses until such time as it could finally calculate the total sale gain due to expiration of certain contractual contingencies related to the sale. In fiscal 2002, when the gain became fully calculable, the Compensation Committee paid the balance of these bonus funds to several Company employees, including its executive officers.

- (5) These options were voluntarily cancelled by Mr. Laurans A. Mendelson during fiscal 2003.
- (6) Includes annual life insurance premiums paid by the Company of \$34,790 in fiscal 2004, fiscal 2003 and fiscal 2002. Amounts also include Company contributions to Mr. Laurans A. Mendelson's HEICO Savings and Investment Plan account of \$8,150 in fiscal 2004, \$7,000 in fiscal 2003 and \$6,350 in fiscal 2002. Participation in the HEICO Savings and Investment Plan is available to substantially all employees of the Company.
- (7) Includes annual life insurance premiums paid by the Company of \$33,500 in fiscal 2004. Amounts also include Company contributions to Mr. Irwin's HEICO Savings and Investment Plan account of \$8,150 in fiscal 2004, \$7,000 in fiscal 2003 and \$6,350 in fiscal 2002. Participation in the HEICO Savings and Investment Plan is available to substantially all employees of the Company.
- (8) Includes annual life insurance premiums paid by the Company of \$10,650 in fiscal 2004 and 2003 and \$9,585 in fiscal 2002. Amounts also include Company contributions to Mr. Eric A. Mendelson's HEICO Savings and Investment Plan account of \$8,150 in fiscal 2004, \$7,000 in fiscal 2003 and \$6,350 in fiscal 2002. Participation in the HEICO Savings and Investment Plan is available to substantially all employees of the Company.
- (9) Includes annual life insurance premiums paid by the Company of \$9,250 in fiscal 2004 and 2003 and \$8,325 in fiscal 2002. Amounts also include Company contributions to Mr. Victor H. Mendelson's HEICO Savings and Investment Plan account of \$8,150 in fiscal 2004, \$7,000 in fiscal 2003 and \$6,350 in fiscal 2002. Participation in the HEICO Savings and Investment Plan is available to substantially all employees of the Company.
- (10) Mr. Reum retired from full-time service to HEICO Aerospace Holdings Corp. in August 2001 and remains active on a part-time basis.

12

STOCK OPTION GRANTS IN LAST FISCAL YEAR

There were no individual grants of stock options pursuant to the Company's stock option plan made during the fiscal year ended October 31, 2004 to the Named Executive Officers.

AGGREGATE OPTION EXERCISES AND FISCAL YEAR-END OPTION VALUES

The following table provides information concerning stock option exercises during fiscal 2004 and stock option holdings as of the fiscal year ended October 31, 2004 for each of the Named Executive Officers. Information has been adjusted as necessary for all stock dividends and stock splits.

Edgar Filing: HEICO CORP - Form DEF 14A

NAME	SHARES ACQUIRED ON EXERCISE	VALUE REALIZED	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS AT FISCAL YEAR-END		VALUE O IN-THE- AT FISC EXERCISAB
			EXERCISABLE	UNEXERCISABLE	
Laurans A. Mendelson	50,000/(2)/	\$ 664,295	359,455	-	\$ 4,297,0
Thomas S. Irwin	65,769/(3)/	829,276	264,233	82,722	1,910,8
Eric A. Mendelson	82,216/(4)/	1,027,502	420,377	175,340	3,160,9
Victor H. Mendelson	82,216/(4)/	1,028,496	486,157	175,340	4,012,9
James L. Reum	-	-	-	-	-

-
- (1) Represents the closing price per share of the underlying common stock as reported on the New York Stock Exchange on October 31, 2004 less the option exercise price (if a positive spread) multiplied by the number of unexercised stock option grants.
 - (2) Represents 50,000 shares of Common Stock acquired upon the exercise of options granted in fiscal 1995.
 - (3) Represents 32,943 shares of Common Stock and 32,826 shares of Class A Common Stock acquired upon the exercise of options granted in fiscal 1995.
 - (4) Represents 41,180 shares of Common Stock and 41,036 shares of Class A Common Stock acquired upon the exercise of options granted in fiscal 1995.

13

COMPENSATION COMMITTEE REPORT

THE COMMITTEE

The Compensation Committee (the "Committee") consists entirely of Directors who are "independent" as defined under New York Stock Exchange rules. The Committee notes that none of its members are current or former employees or officers of the Company. The Committee generally makes all decisions concerning the Company's executive officers' compensation and all such decisions are reviewed by the full Board of Directors. However, decisions about stock options issued or to be issued under the 1993 or 2002 Stock Option Plans are made by the Stock Option Plan Committee (the "SOC"), which then presents its actions to the full Board of Directors for ratification. The SOC also consists of only "independent" directors.

HOW THE COMMITTEE APPROACHES EXECUTIVE COMPENSATION

The Committee believes it must offer executives opportunities to receive meaningful compensation in order to attract them to HEICO and for them to remain in the Company's employ. The Committee recognizes that talented executives will, if not properly compensated, avail themselves of opportunities elsewhere which would place HEICO at a major disadvantage. HEICO is usually classified as a small-medium sized business which can be perceived by some executives as riskier than employment with the many large aerospace, defense and electronic companies in the marketplace. Similarly, numerous start-up businesses can offer executives major equity and other upside which companies our size are sometimes perceived to lack.

Edgar Filing: HEICO CORP - Form DEF 14A

Simultaneously, the Committee wishes to ensure that its executives invest in HEICO, as the Committee believes that equity ownership leads to better results because the executives will view every success the Company has as their own and will feel every failure is theirs' as well. The Committee notes that the Company's executive officers all maintain significant personal investments in HEICO stock. The Committee also wants to ensure that executives will remain with the Company over the long term -- in both good times and in difficult times. Finally, the Committee wants to promote a culture whereby executives are rewarded when the Company or its shareholders do well.

The Committee recognizes that it is important to find a proper balance between short and long-term objectives. Generally, the Committee prefers to use cash compensation for shorter-term objectives and stock-based compensation for longer-term objectives. This provides a balance between an executive's personal financial needs and objectives for longer-term wealth accumulation consistent with the Board's desire to ensure HEICO's future growth and longevity. Similarly, placing sufficient emphasis on short-term performance through cash rewards should help ensure that executives focus on more immediate objectives as well.

Accordingly, the Company and the Committee rely primarily on the following four methods of compensation:

1. Base Cash Compensation. Utilizing a) external consultants, b) independent compensation research reports and studies, c) historical compensation data, d) knowledge of local markets, and e) personal knowledge of executives, the Committee establishes a base cash compensation rate to be paid to executives on a normal, periodic payroll basis over the course of the year. The Committee believes it is appropriate to adjust annual compensation based upon merit in the same manner the Company adjusts compensation for its employees generally. However, the Company's executive officers have typically asked the Committee to refrain from declaring base cash compensation increases to them in more challenging economic years. Thus, for example, the executive officers' base cash compensation was unchanged for approximately three years -- from January 2001 until March 2004. Recognizing the Company's dramatically improved financial performance and the fact that compensation freezes of such duration in successful companies such as HEICO (which performed admirably even during difficult times) are unusual, in March 2004 the Committee awarded compensation increases to the executive officers as set forth in this Proxy Statement.

14

2. Cash Incentive/Performance Bonus Compensation. In years when the Company experiences strong performance or improvement in performance, the Committee believes it is important to compensate the executive officers to allow them to share in the Company's success. Utilizing the same factors listed in the paragraph above, the Committee evaluates the Company's performance overall and its performance according to plans. It then approves a performance bonus, if it believes one is appropriate.

In years when the Company's overall performance does not reach desired levels (even if performance is still strong), the executive officers have previously requested, and the Committee agreed, that no regular bonuses be awarded to them. This last occurred in 2003 and 2002 following the massive industry downturn which resulted from the September 11, 2001 attacks. In 2002, the Committee awarded the remaining bonuses from the gain of the sale of the Company's former

Edgar Filing: HEICO CORP - Form DEF 14A

Trilectron Industries, Inc. ("Trilectron") subsidiary that were not paid upon Trilectron's sale in 2000. In 2000, when HEICO sold Trilectron for a large gain, the Company paid cash bonuses to the executive officers contingent upon Trilectron's successful and profitable sale, but refrained from paying all the amounts that were reserved for these bonuses until such time as it could finally calculate the total sale gain due to expiration of certain contractual contingencies related to the sale. In the second quarter of fiscal 2002, when the gain became fully calculable, the Committee paid the balance of those bonus funds to a number of Company employees, some of whom were executive officers. The Committee believes cash bonuses are typically best used to reward good near-term performance.

3. **Stock-Based Compensation.** Since 1990, the Company has awarded stock options to numerous employees believing that the employees benefit only when all shareholders benefit. The Company's practice is to grant options at no less than the closing price of the stock at the date of grant. A \$1.00 investment in HEICO shares in 1990 became worth \$15.65 on December 31, 2004 (adjusted for stock splits and stock dividends, but excluding all cash dividends). The Committee believes this is a result of the Company's substantial sales and earnings growth delivered by the Company's employees. Stock options granted to employees have delivered substantial returns to the employees. However, if the Company and its shareholders had not prospered, the employees would not have gained and the Company would not have incurred any costs. Further, compensating with stock options instead of cash-based compensation helps save the Company cash. The Committee believes that the share price performance is evidence of the fact that the marketplace does not discount HEICO stock as a result of stock options.

In granting stock options, the Committee and the SOC consider the factors discussed above with respect to Base Cash Compensation, as well as the past and expected contributions an executive made or is expected to make to the Company's success, the executive's level of personal contribution to the Company's success, the executive's financial investment in the Company, the executive's work ethic and other factors. The Committee believes stock options are best used to provide intermediate and long-term incentives and rewards.

The Committee notes that the Company's senior executives have historically exercised stock options and retained the shares issued, except for what they believed was required to cover taxes and exercise costs. The Committee believes this demonstrated a commitment to the Company and confidence in its future.

4. **401K, Other Miscellaneous.** The Company's executives are eligible to participate in the HEICO Savings and Investment Plan, which is the Company's 401K plan, in the same manner as any similarly situated HEICO employees. However, under federal regulations, certain employees of the company (including executive officers Laurans A. Mendelson, Thomas S. Irwin, Eric A. Mendelson and Victor H. Mendelson) are limited in their participation in the Plan and may not receive the same level of benefits as other employees. The Committee also pays certain benefits, such as life insurance premiums, for certain executive officers, offers health benefits and other employment benefits common to executives and some employees at HEICO. The Committee believes, based upon the factors reflected in the first paragraph of this section, these are reasonable, customary and consistent with practices at other companies.

Overall, the Committee has had the opportunity to observe the Company's management and other executives for close to one and one-half decades and has concluded that its practices are appropriate and that they yield results. However, the Committee will continue to review its practices during the year and may, if it believes appropriate, change the practices to reflect its beliefs at that time.

CHIEF EXECUTIVE OFFICER COMPENSATION

The Chief Executive Officer's (the "CEO") compensation is reviewed each year by the Committee utilizing the factors previously mentioned in this report. In addition, the Committee considers the example that the CEO sets for employees, shareholders, customers, and others and evaluates the image that he projects. In addition to the factors listed in the prior section of this report, the Committee considers the CEO's candor with the Board, his work efforts and his overall success in accomplishing the Company's long and short-term objectives. Examples of the CEO's leadership included his request that his and other executive officers' salaries be frozen until such time as the Company's financial results were rising substantially. Under the CEO's leadership, the Company's sales increased from \$32,393,000 in fiscal 1994 to \$215,744,000 in fiscal 2004, while net income improved from \$1,851,000 to \$20,630,000 during the same period.

During the CEO's tenure, the Company's share value has dramatically appreciated - a \$1,000 investment in HEICO shares in 1990 became worth \$15,650 on December 31, 2004 (adjusted for stock splits and stock dividends, but excluding all cash dividends).

Further, the Committee takes into consideration the fact that the CEO had a very successful business career prior to investing in and becoming CEO of HEICO and he foregoes many other business opportunities in the Company's favor. Also, the Committee considers the fact that the Company's commercial bank requires that the CEO and his family maintain their involvement and positions with the Company as a condition to HEICO's credit facility.

The CEO has invested significant personal sums in the Company and continues to hold a major investment in it. The Committee believes that his financial commitment to the Company as a shareholder demonstrates his loyalty to HEICO and is indicative of the alignment of his personal interests with those of the rest of HEICO's shareholders. The Committee takes this into consideration when establishing his compensation.

Submitted by the Compensation Committee of the Company's Board of Directors: Samuel L. Higginbottom (Chairman), Wolfgang Mayrhuber, Albert Morrison, Jr. and Dr. Alan Schriesheim.

EMPLOYMENT AGREEMENTS

Thomas S. Irwin and the Company are parties to a key employee termination agreement which provides lump sum severance payment equal to two years' compensation if his employment is terminated within three years after a change in control of the Company (as defined in the key employee termination agreement).

Edgar Filing: HEICO CORP - Form DEF 14A

The Finance/Audit Committee (the "Audit Committee") of the Board of Directors is composed entirely of four non-employee directors. The Board of Directors has determined that each member of the Audit Committee is financially literate and independent in accordance with the New York Stock Exchange's listing standards and that Mr. Morrison is an "audit committee financial expert," as defined by the Securities and Exchange Commission.

The purpose of the Audit Committee is to assist the Board of Directors in fulfilling its responsibility for the oversight of the quality and integrity of the accounting, auditing, internal control and financial reporting practices of the Company and such other duties as directed by the Board of Directors. The full responsibilities of the Audit Committee are set forth in its formal written charter, which was adopted by the full Board of Directors in 1999 and most recently amended in its entirety in December 2003.

Management is responsible for the Company's financial reporting process, including its system of internal control, and for the preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. The Company's independent auditor, Deloitte & Touche LLP, is responsible for auditing those financial statements and for issuing an opinion as to whether those financial statements are, in all material respects, presented fairly in conformity with accounting principles generally accepted in the United States of America. The Audit Committee is responsible for monitoring and reviewing these processes, acting in an oversight capacity relying on the information provided to it and on the representations made by management and the independent auditor.

As part of fulfilling its responsibilities, the Audit Committee reviewed and discussed with management the Company's audited financial statements as of and for the year ended October 31, 2004 and discussed with Deloitte & Touche LLP the matters required to be discussed by Statement on Auditing Standards No. 61, "Communication with Audit Committees". The Audit Committee received the written disclosures and the letter from Deloitte & Touche LLP required by Independence Standards Board Standard No. 1, "Independence Discussions with Audit Committees". The Audit Committee discussed and considered the independence of Deloitte & Touche LLP with representatives of Deloitte & Touche LLP, reviewing as necessary all relationships and services which might bear on the objectivity of Deloitte & Touche LLP. Deloitte & Touche LLP was provided with full access to the Audit Committee to meet privately and was encouraged to discuss any matter it desired with the Audit Committee or the full Board of Directors.

Based upon the review and discussions referred to above, the Audit Committee recommended to the Board of Directors that the Company's audited financial statements be included in its Annual Report on Form 10-K for the year ended October 31, 2004, for filing with the Securities and Exchange Commission.

Respectfully Submitted by the Finance/Audit Committee of the Company's Board of Directors:

Samuel L. Higginbottom, Albert Morrison, Jr. (Chairman), Joseph W. Pallot and Dr. Alan Schriesheim.

PERFORMANCE GRAPHS

The following graph and table compare the total return on \$100 invested in HEICO Class A Common Stock and HEICO Common Stock with the total return of \$100 invested in the New York Stock Exchange (NYSE) Composite Index and the Dow Jones U.S. Aerospace Index for the five-year period from October 31, 1999 through October 31, 2004. The NYSE Composite Index measures all common stock

Edgar Filing: HEICO CORP - Form DEF 14A

listed on the NYSE. The Dow Jones U.S. Aerospace Index is comprised of large companies which make aircraft, major weapons, radar and other defense equipment and systems as well as providers of satellites used for defense purposes. The total returns include the reinvestment of cash dividends.

[CHART APPEARS HERE]

	CUMULATIVE TOTAL RETURN AS OF OCTOBER 31,					
	1999	2000	2001	2002	2003	2004
HEICO Common Stock/(1)/	\$ 100.00	\$ 75.69	\$ 101.21	\$ 65.00	\$ 103.56	\$ 132.41
HEICO Class A Common Stock/(1)/	\$ 100.00	\$ 79.93	\$ 95.43	\$ 60.89	\$ 96.78	\$ 124.30
NYSE Composite Index	\$ 100.00	\$ 106.48	\$ 87.35	\$ 75.61	\$ 90.10	\$ 101.20
Dow Jones U.S. Aerospace Index	\$ 100.00	\$ 141.33	\$ 112.61	\$ 116.18	\$ 132.84	\$ 161.66

 (1) Information has been adjusted retroactively to give effect to 10% stock dividends paid in shares of Class A Common Stock in July 2000, August 2001 and January 2004.

18

The following graph and table compare the total return on \$100 invested in HEICO Common Stock since October 31, 1990 with the same indices shown on the five-year performance graph on the previous page. October 31, 1990 was the end of the first fiscal year following the date the current executive management team assumed leadership of the Company. No Class A Common Stock was outstanding as of October 31, 1990. As with the five-year performance graph, the total returns include the reinvestment of cash dividends.

[CHART APPEARS HERE]

	CUMULATIVE TOTAL RETURN AS OF OCTOBER 31					
	1990	1991	1992	1993	1994	1995
HEICO Common Stock/(1)/	\$ 100.00	\$ 141.49	\$ 158.35	\$ 173.88	\$ 123.41	\$ 263.25
NYSE Composite Index	\$ 100.00	\$ 130.31	\$ 138.76	\$ 156.09	\$ 155.68	\$ 186.32
Dow Jones U.S. Aerospace Index	\$ 100.00	\$ 130.67	\$ 122.00	\$ 158.36	\$ 176.11	\$ 252.00

	CUMULATIVE TOTAL RETURN AS OF OCTOBER 31				
	1998	1999	2000	2001	2002
HEICO Common Stock/(1)/	\$ 1,448.99	\$ 1,051.61	\$ 809.50	\$ 1,045.86	\$ 670.39
NYSE Composite Index	\$ 326.98	\$ 376.40	\$ 400.81	\$ 328.78	\$ 284.59
Dow Jones U.S. Aerospace Index	\$ 378.66	\$ 295.99	\$ 418.32	\$ 333.32	\$ 343.88

Edgar Filing: HEICO CORP - Form DEF 14A

(1) Information has been adjusted retroactively to give effect to all stock dividends paid during the fourteen-year period.

19

RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM (Proposal No. 2)

The Finance/Audit Committee has selected the firm of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the fiscal year ending October 31, 2005. Deloitte & Touche LLP has served as the Company's independent registered public accounting firm since 1990.

Shareholder ratification of this selection is not required by the Company's By-laws or otherwise. However, the Finance/Audit Committee and full Board of Directors are requesting that shareholders ratify this appointment as a means of soliciting shareholders' opinions and as a matter of good corporate governance. If the shareholders do not ratify the selection, the Finance/Audit Committee will reconsider whether or not to retain Deloitte & Touche LLP. Even if the selection is ratified, the Finance/Audit Committee, in its discretion, may direct the appointment of a different independent registered public accounting firm at any time during the year if it determines such change would be in the best interests of the Company and its shareholders.

One or more representatives of Deloitte & Touche LLP are expected to be present at the annual meeting on March 25, 2005. The representatives will have the opportunity to make a statement, if they desire to do so, and will be available to respond to appropriate questions from shareholders.

RECOMMENDATION

THE BOARD OF DIRECTORS RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR THE RATIFICATION OF THE APPOINTMENT OF DELOITTE & TOUCHE LLP AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING OCTOBER 31, 2005.

PRINCIPAL ACCOUNTING FIRM FEES

The following table presents the aggregate fees billed to the Company by Deloitte & Touche LLP during the fiscal years ended October 31, 2004 and 2003:

	2004	2003
Audit Fees/(1)/	\$ 379,000	\$ 256,000
Audit-Related Fees/(2)/	13,000	26,000
Tax Fees/(3)/	145,000	145,000
All Other Fees	6,000	4,000
Total Fees	\$ 543,000	\$ 431,000

(1) Audit Fees consist of fees billed for services rendered for the annual audit of the Company's consolidated financial statements, the review of condensed consolidated financial statements included in the Company's quarterly reports on Form 10-Q, and services that are normally provided in connection with statutory and regulatory filings or engagements.

(2) Audit-Related Fees consist of fees billed for assurance and related services that are reasonably related to the performance of the audit or

Edgar Filing: HEICO CORP - Form DEF 14A

review of the Company's consolidated financial statements that are not reported under the caption "Audit Fees". The category includes fees related to audit of the HEICO Savings and Investment Plan and consultation related to acquisitions or other business transactions.

- (3) Tax Fees consist of fees billed for services rendered for tax compliance.

20

PRE-APPROVAL OF SERVICES PROVIDED BY THE INDEPENDENT AUDITOR

The Finance/Audit Committee (the "Committee") has adopted a policy to pre-approve all audit and permissible non-audit services provided by the independent auditor. The Committee will consider annually and, if appropriate, approve the scope of the audit services to be performed during the fiscal year as outlined in an engagement letter proposed by the independent auditor. For permissible non-audit services, the Company will submit to the Committee, at least annually, a list of services and a corresponding budget estimate that it recommends the Committee engage the independent auditor to provide. To facilitate the prompt handling of certain unexpected matters, the Committee delegates to its Chairman the authority to approve in advance all audit and non-audit services below \$10,000 to be provided by the independent auditor if presented to the full Committee at the next regularly scheduled meeting. The independent auditor and Company will routinely inform the Committee as to the extent of services provided by the independent auditor in accordance with this pre-approval policy and the fees incurred for the services performed to date.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Certain subsidiaries of Lufthansa, for which Mr. Mayrhuber serves as Chairman of the Executive Board and Chief Executive Officer, are customers of certain subsidiaries of the Company. Purchases made by such subsidiaries of Lufthansa represented in excess of five percent, but less than 10%, of the Company's consolidated gross revenues for the fiscal year ended October 31, 2004. The Company expects this customer relationship to continue in the current fiscal year. The Company believes that the terms of its transactions with Lufthansa are no less favorable to the Company than would have been obtained from an unrelated party, and that Mr. Mayrhuber is not afforded any special benefits as a result of the Company's transactions with Lufthansa.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Based solely upon a review of reports of ownership, reports of changes of ownership and written representations under Section 16(a) of the Securities Exchange Act of 1934, which were furnished to the Company during or with respect to fiscal 2004 by persons who were, at any time during fiscal 2004, directors or officers of the Company or beneficial owners of more than 10% of the outstanding shares of Common Stock or Class A Common Stock, no such person failed to file on a timely basis any report required by such section during fiscal 2004.

SHAREHOLDER PROPOSALS AND NOMINATIONS

Any shareholder of the Company who wishes to present a proposal for action at the Company's next annual meeting of shareholders presently scheduled for March 14, 2006, or to nominate a director candidate for the Company's Board of Directors, must submit such proposal or nomination in writing to the Corporate Secretary at HEICO Corporation, 3000 Taft Street, Hollywood, Florida 33021. The proposal or nomination should comply with the time period and information requirements as set forth in the Company's By-laws relating to shareholder business or shareholder nominations, respectively. Shareholders interested in submitting a proposal for inclusion in the Proxy Statement for the

Edgar Filing: HEICO CORP - Form DEF 14A

2006 annual meeting of shareholders may do so by following the procedures prescribed in SEC Rule 14a-8. To be eligible for inclusion, shareholder proposals must be received by the Company's Corporate Secretary at the herein above address no later than October 25, 2005.

21

SHAREHOLDER COMMUNICATION WITH THE BOARD OF DIRECTORS

Any shareholder of the Company who wishes to communicate with the Board of Directors, a committee of the Board, the non-management directors as a group or any individual member of the Board, may send correspondence to the Corporate Secretary at HEICO Corporation, 3000 Taft Street, Hollywood, Florida 33021. The Corporate Secretary will compile and submit on a periodic basis all shareholder correspondence to the entire Board of Directors, or, if and as designated in the communication, to a committee of the Board, the non-management directors as a group or an individual Board member.

SHAREHOLDERS SHARING THE SAME ADDRESS

The Company has adopted a procedure called "householding", which has been approved by the Securities and Exchange Commission. Under this procedure, a single copy of the annual report and proxy statement will be sent to any household at which two or more shareholders reside if they appear to be members of the same family, unless one of the shareholders at that address notifies us that they wish to receive individual copies. Shareholders who participate in householding will continue to receive separate proxy cards. Householding will not affect dividend mailings in any way. This procedure reduces the Company's printing costs and mailing fees.

If a single copy of the annual report and proxy statement was delivered to an address that you share with another shareholder and you wish to receive a separate copy of the 2005 annual report or this proxy statement, or if you do not wish to participate in householding and prefer to receive separate copies of future materials, or if you are sharing an address with another shareholder and are receiving multiple copies of annual reports or proxy statements and would like to request delivery of a single copy of annual reports or proxy statements, please call the Company at (954)-987-4000 or write to the Corporate Secretary at HEICO Corporation, 3000 Taft Street, Hollywood, Florida 33021.

GENERAL AND OTHER MATTERS

Neither HEICO nor the members of its Board of Directors intend to bring before the meeting any matters other than those referred to in the accompanying Notice of Meeting. They have no present knowledge that any other matters will be presented to be acted on pursuant to your proxy. However, if any other matters properly come before the meeting, the persons whose names appear in the enclosed form of proxy will have the discretionary authority to vote the proxy in accordance with their judgment.

BY ORDER OF THE BOARD OF DIRECTORS,
Laurans A. Mendelson
Chairman of the Board, President
and Chief Executive Officer

22

HEICO CORPORATION

Edgar Filing: HEICO CORP - Form DEF 14A

ANNUAL MEETING OF SHAREHOLDERS, MARCH 25, 2005

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned shareholder of HEICO CORPORATION hereby appoints Laurans A. Mendelson and Thomas S. Irwin, or either of them, the true and lawful attorney or attorneys and proxy or proxies of the undersigned with full power of substitution and revocation to each of them, to vote all the shares of stock which the undersigned would be entitled to vote, if there personally present, at the Annual Meeting of Shareholders of HEICO CORPORATION called to be held at the J.W. Marriott Miami Hotel, 1109 Brickell Avenue, Miami, Florida, at 10:00 a.m. Eastern Standard Time on March 25, 2005 (notice of such meeting has been received), and at any adjournments thereof, with all powers which the undersigned would possess if personally present. Without limiting the generality of the foregoing, said attorneys and proxies are authorized to vote as indicated below.

1. ELECTION OF DIRECTORS

[] FOR all nominees listed below (except as marked to the contrary) [] WITHHOLD AUTHORITY to vote for all nominees listed below

NOMINEES: 01 Samuel L. Higginbottom, 02 Wolfgang Mayrhuber, 03 Eric A. Mendelson, 04 Laurans A. Mendelson, 05 Victor H. Mendelson, 06 Albert Morrison, Jr., 07 Joseph W. Pallot, 08 Dr. Alan Schriesheim

INSTRUCTION: To withhold authority to vote for an individual nominee, write that nominee's name in the space provided below.

(Continued, and to be dated and signed on the reverse side)

RATIFICATION OF DELOITTE & TOUCHE LLP AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

[] FOR [] AGAINST [] ABSTAIN

3. In their discretion, upon such other matters which may properly come before the meeting or any adjournments.

THIS PROXY WILL BE VOTED AS DIRECTED, BUT WHERE NO DIRECTION IS GIVEN, IT WILL BE VOTED FOR THE ELECTION OF ALL DIRECTORS AND FOR PROPOSAL 2.

PLEASE SIGN, DATE AND MAIL THIS PROXY PROMPTLY IN THE ENVELOPE PROVIDED, SO THAT YOUR SHARES CAN BE VOTED AT THE MEETING.

Dated : _____, 2005

Signature _____

Signature if held jointly _____

(Please sign exactly as name appears hereon. If Executor, Trustee, etc., give full title. If Stock is held in the name of more than one person, each should sign.)