UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA v. JESUS LUIS MORELL, Defendant.	**SEALED INDICTMENT** 26 Cr. 26 CRIM 362.

COUNT ONE
(Securities Fraud)

The Grand Jury charges:

1. Between in or about May 2022 and in or about May 2025, JESUS LUIS MORELL, the defendant, engaged in a scheme to trade on misappropriated material nonpublic information concerning the quarterly financial results of his employer, HEICO Corporation ("HEICO"), in breach of his duties to the company and its shareholders. As a result of this illegal conduct, MORELL generated more than $1.8 million in profits.

2. HEICO is a publicly traded aerospace, industrial, defense, and electronics company, with common stock and Class A common stock that trade on the New York Stock Exchange, based in the Southern District of New York. At all relevant times, JESUS LUIS MORELL, the defendant, served as President of HEICO Parts Group, a collection of subsidiaries of HEICO Aerospace Holdings Corp., and President of HEICO Repair Group, a collection of subsidiaries of HEICO Flight Support Corp., and as a member of the Board of Directors of HEICO Aerospace Holdings Corp. In those roles, MORELL routinely received internal reports concerning HEICO's principal business segment, the Flight Support Group, including monthly sales, operating income, and other financial results.

3. By virtue of his employment, JESUS LUIS MORELL, the defendant, owed a duty of trust and confidence to HEICO and was prohibited from misusing or disclosing HEICO's confidential information for personal gain. MORELL was also prohibited by company policy from trading in HEICO stock or options while in possession of material nonpublic information, and from trading during quarterly "blackout" periods that began at the close of business on the last day of each fiscal quarter and continued until the close of business on the first trading day after HEICO publicly disclosed that quarter's financial results. HEICO's Code of Business Conduct and Insider Trading Policy, which MORELL certified approximately once a year that he had received and understood, set forth these restrictions and warned employees that "[m]aterial undisclosed information about HEICO's business" constitutes inside information, and trading "on the basis of insider information, regardless of how small or large the trade may be, is a serious violation of US securities laws."

<u>MORELL Committed Insider Trading Ahead of HEICO's Q2 2022 Earning Announcement</u>

4. HEICO's second quarter of Fiscal Year 2022 began February 1, 2022, and ended April 30, 2022. During that quarter, JESUS LUIS MORELL, the defendant, received regular reports on the financial and sales performance of the Flight Support Group, including nonpublic information about actual and forecasted net sales, operating income, and other financial results, together with comparisons to budgeted and prior-year figures. On or about May 18, 2022, MORELL attended a meeting with senior HEICO leadership to prepare for the company's second-quarter earnings call, scheduled for the following week.

5. That same day, on or about May 18, 2022, JESUS LUIS MORELL, the defendant, directed his broker to purchase 45,000 shares of HEICO Class A common stock (HEI.A) at $109 per share or better. When the broker warned him of the risk of concentrating in a single stock,

MORELL responded that he was "well aware of the risk" but was "very comfortable" trading HEICO stock because he had worked at the company for 25 years and "heads up one of their major divisions." MORELL placed the order, which executed later that day at approximately $108.82 per share for a total cost basis of $4,896,840.33, during HEICO's trading blackout period, notwithstanding the fact that MORELL had told his broker he was "aware of his trading restrictions" with HEICO.

6. On or about May 23, 2022, after the market closed, HEICO announced its second-quarter financial results, reporting a 20% increase in net income and a 15% increase in net sales, driven mainly by record quarterly operating income at the Flight Support Group. The sales and income figures HEICO disclosed for the Flight Support Group closely tracked the nonpublic figures JESUS LUIS MORELL, the defendant, had received before placing his trade. On or about May 27, 2022, and June 2, 2022, MORELL sold all 45,000 HEI.A shares at prices of approximately $118.50 per share and $117.82 per share, realizing a profit of $422,777.87.

<u>MORELL Committed Insider Trading Ahead of HEICO's Q2 2025 Earnings Announcement</u>

7. HEICO's second quarter of fiscal year 2025 ran from February 1, 2025, to April 30, 2025. During that quarter, JESUS LUIS MORELL, the defendant, again received regular reports on the financial and sales performance of the Flight Support Group, including nonpublic information about actual and forecasted net sales and operating income.

8. On or about April 21, 2025, JESUS LUIS MORELL, the defendant, purchased 34,462 shares of HEICO Class A common stock (HEI.A) at approximately $189.34 per share, for a total cost basis of approximately $6,525,080.67.

9. On or about May 27, 2025, after the market closed, HEICO announced its second-quarter financial results, reporting a 27% increase in net income and a 15% increase in net sales,

driven by "double-digit consolidated organic net sales growth" across the Flight Support Group. The net sales and operating income figures HEICO disclosed for the Flight Support Group closely tracked the nonpublic figures JESUS LUIS MORELL, the defendant, had received before placing his April 21, 2025 trade. The following day, on or about May 28, 2025, MORELL sold all 34,462 shares at approximately $231.28 per share, realizing a profit of approximately $1,445,177.75. MORELL's sale was made during the company's trading blackout period, which remained in effect until the close of trading on May 28, 2025.

Statutory Allegations

10. From at least in or about February 2022 up to and including at least in or about June 2022, in the Southern District of New York and elsewhere, JESUS LUIS MORELL, the defendant, willfully and knowingly, directly and indirectly, by the use of a means and instrumentality of interstate commerce and of the mails, and of a facility of a national securities exchange, used and employed, in connection with the purchase and sale of a security, a manipulative and deceptive device and contrivance, in violation of Title 17, Code of Federal Regulations, Section 240.10b-5, by: (a) employing a device, scheme, and artifice to defraud; (b) making an untrue statement of a material fact and omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (c) engaging in an act, practice, and course of business which operated and would operate as a fraud and deceit upon a person, to wit, MORELL purchased and sold securities while in knowing possession of material, nonpublic information he received through his employment about HEICO's second quarter of fiscal year 2022 financial results, in violation of the duty of trust and confidence he owed to the source of the information.

(Title 15, United States Code, Sections 78j(b) and 78ff; Title 17, Code of Federal Regulations, Section 240.10b-5; Title 18, United States Code, Section 2)

COUNT TWO
(Securities Fraud)

The Grand Jury further charges:

11. The allegations contained in paragraphs 1 through 9 of this Indictment are hereby repeated, re-alleged, and incorporated by reference as if fully set forth herein.

12. From at least in or about February 2025 up to and including at least in or about May 2025, in the Southern District of New York and elsewhere, JESUS LUIS MORELL, the defendant, willfully and knowingly, directly and indirectly, by the use of a means and instrumentality of interstate commerce and of the mails, and of a facility of a national securities exchange, used and employed, in connection with the purchase and sale of a security, a manipulative and deceptive device and contrivance, in violation of Title 17, Code of Federal Regulations, Section 240.10b-5, by: (a) employing a device, scheme, and artifice to defraud; (b) making an untrue statement of a material fact and omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (c) engaging in an act, practice, and course of business which operated and would operate as a fraud and deceit upon a person, to wit, MORELL purchased and sold securities while in knowing possession of material, nonpublic information he received through his employment about HEICO's second quarter of fiscal year 2025 financial results, in violation of the duty of trust and confidence he owed to the source of the information.

(Title 15, United States Code, Sections 78j(b) and 78ff; Title 17, Code of Federal Regulations, Section 240.10b-5; Title 18, United States Code, Section 2)

COUNT THREE
(Securities Fraud)

The Grand Jury further charges:

13. The allegations contained in paragraphs 1 through 9 of this Indictment are hereby

repeated, re-alleged, and incorporated by reference as if fully set forth herein.

14. From at least in or about February 2022 up to and including at least in or about May 2025, in the Southern District of New York and elsewhere, JESUS LUIS MORELL, the defendant, knowingly executed, and attempted to execute, a scheme and artifice to defraud a person in connection with a security of an issuer with a class of securities registered under Section 12 of the Securities Exchange Act of 1934 and that was required to file reports under Section 15(d) of the Securities Exchange Act of 1934, to wit, in knowing breach of duties MORELL owed to HEICO, MORELL used material nonpublic information obtained from HEICO to execute the purchase of HEICO securities.

(Title 18, United States Code, Sections 1348(1) and 2.)

FORFEITURE ALLEGATION

15. As a result of committing the offenses alleged in Count One through Three of this Indictment, JESUS LUIS MORELL, the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28 United States Code, Section 2461(c), any and all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of said offenses, including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offenses.

Substitute Assets Provision

16. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

a. cannot be located upon the exercise of due diligence;

b. has been transferred or sold to, or deposited with, a third person;

c. has been placed beyond the jurisdiction of the Court;

d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p) and Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of the defendant up to the value of the above forfeitable property.

(Title 18, United States Code, Section 981;
Title 21, United States Code, Section 853; and
Title 28, United States Code, Section 2461.)

[redacted]
FOREPERSON
Aug 17, 2026

James M. McDonald
JAMES M. MCDONALD
United States Attorney