Morningstar, Inc. Form 4 May 09, 2007

### FORM 4

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

OMB Number: 3235-0287

**OMB APPROVAL** 

Expires: January 31, 2005

Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5

obligations

may continue.

See Instruction

SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section

30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

| 1. Name and Address of Reporting Person * Williams David W | 2. Issuer Name and Ticker or Trading Symbol Morningstar, Inc. [MORN] | 5. Relationship of Reporting Person(s) to Issuer  (Check all applicable)                             |  |  |
|------------------------------------------------------------|----------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--|--|
| (Last) (First) (Middle)                                    | 3. Date of Earliest Transaction                                      | (Check all applicable)                                                                               |  |  |
| C/O MORNINGSTAR, INC., 225<br>WEST WACKER DRIVE            | (Month/Day/Year)<br>05/03/2007                                       | Director 10% OwnerX Officer (give title Other (specify below)  Managing Director, Design             |  |  |
| (Street)                                                   | 4. If Amendment, Date Original                                       | 6. Individual or Joint/Group Filing(Check                                                            |  |  |
| CHICAGO, IL 60606                                          | Filed(Month/Day/Year)                                                | Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person |  |  |

| (City)                               | (State)                              | (Zip) Tab                                                   | le I - Non-I                           | Derivative                | Secu                         | rities Acqui         | red, Disposed of,                                                                                                  | or Beneficiall                                           | y Owned                                               |
|--------------------------------------|--------------------------------------|-------------------------------------------------------------|----------------------------------------|---------------------------|------------------------------|----------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------|
| 1.Title of<br>Security<br>(Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3.<br>Transactic<br>Code<br>(Instr. 8) | OIDT Dispos<br>(Instr. 3, | sed of<br>4 and<br>(A)<br>or | 5)                   | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
| Common<br>Stock                      | 05/07/2007                           |                                                             | Code V<br>M                            | Amount 1,000              | (D)                          | Price \$ 14.13       | 21,914                                                                                                             | D                                                        |                                                       |
| Common<br>Stock                      | 05/08/2007                           |                                                             | M                                      | 1,000                     | A                            | \$ 14.13             | 22,914                                                                                                             | D                                                        |                                                       |
| Common<br>Stock                      | 05/07/2007                           |                                                             | S(2)                                   | 1,000                     | D                            | \$<br>51.1217<br>(3) | 21,914                                                                                                             | D                                                        |                                                       |
| Common<br>Stock                      | 05/08/2007                           |                                                             | S(2)                                   | 1,000                     | D                            | \$ 50.282<br>(4)     | 20,914                                                                                                             | D                                                        |                                                       |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

## Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4.<br>Transactic<br>Code<br>(Instr. 8) | 5. Number out Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exer<br>Expiration D<br>(Month/Day | ate                | 7. Title and<br>Underlying<br>(Instr. 3 and | Securities                             |
|-----------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|----------------------------------------|------------------------------------------------------------------------------------------|--------------------------------------------|--------------------|---------------------------------------------|----------------------------------------|
|                                                     |                                                                       |                                         |                                                             | Code V                                 | (A) (D)                                                                                  | Date<br>Exercisable                        | Expiration<br>Date | Title                                       | Amount<br>or<br>Number<br>of<br>Shares |
| Empoyee<br>Stock<br>Option<br>(Right to<br>Buy)     | \$ 14.13                                                              | 05/07/2007                              |                                                             | M                                      | 1,000                                                                                    | <u>(1)</u>                                 | 05/01/2010         | Common<br>Stock                             | 1,000                                  |
| Empoyee<br>Stock<br>Option<br>(Right to<br>Buy)     | \$ 14.13                                                              | 05/08/2007                              |                                                             | M                                      | 1,000                                                                                    | <u>(1)</u>                                 | 05/01/2010         | Common<br>Stock                             | 1,000                                  |

## **Reporting Owners**

| Reporting Owner Name / Address                                                          | Relationships |           |                           |       |  |  |  |
|-----------------------------------------------------------------------------------------|---------------|-----------|---------------------------|-------|--|--|--|
|                                                                                         | Director      | 10% Owner | Officer                   | Other |  |  |  |
| Williams David W<br>C/O MORNINGSTAR, INC.<br>225 WEST WACKER DRIVE<br>CHICAGO, IL 60606 |               |           | Managing Director, Design |       |  |  |  |

## **Signatures**

| /s/ Heidi Miller, by power of   | 05/09/2007 |  |  |
|---------------------------------|------------|--|--|
| attorney                        | 03/07/2007 |  |  |
| **Signature of Reporting Person | Date       |  |  |

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#### **Explanation of Responses:**

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The options became exercisable in four equal installments on May 1, 2001, 2002, 2003 and 2004.
- (2) The sales reported on this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on March 21, 2007
- (3) The shares were sold in 11 transactions on the date reported at an average price of \$51.1217 per share, with prices ranging from \$50.98 to \$51.70
- (4) The shares were sold in six transactions on the date reported at an average price of \$50.282 per share, with prices ranging from \$50.07 to \$50.80

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.