

Morningstar, Inc.
Form 3
May 02, 2005

FORM 3

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

OMB APPROVAL

OMB
Number: 3235-0104
Expires: January 31,
2005
Estimated average
burden hours per
response... 0.5

**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF
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

(Print or Type Responses)

1. Name and Address of Reporting
Person *

Â Phillips Donald James II

(Last) (First) (Middle)

C/O MORNINGSTAR,
INC.,Â 225 WEST WACKER
DRIVE

(Street)

CHICAGO,Â ILÂ 60606

(City) (State) (Zip)

2. Date of Event Requiring
Statement

(Month/Day/Year)

05/02/2005

3. Issuer Name **and** Ticker or Trading Symbol
Morningstar, Inc. [MORN]

4. Relationship of Reporting
Person(s) to Issuer

5. If Amendment, Date Original
Filed(Month/Day/Year)

(Check all applicable)

☒ Director ☐ 10% Owner

☒ Officer ☐ Other

(give title below) (specify below)

Managing Director

6. Individual or Joint/Group

Filing(Check Applicable Line)

☒ Form filed by One Reporting
Person

☐ Form filed by More than One
Reporting Person

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security
(Instr. 4)

2. Amount of Securities
Beneficially Owned
(Instr. 4)

3. Ownership
Form:
Direct (D)
or Indirect
(I)
(Instr. 5)

4. Nature of Indirect Beneficial
Ownership
(Instr. 5)

Common Stock

178,970

D Â

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

SEC 1473 (7-02)

**Persons who respond to the collection of
information contained in this form are not
required to respond unless the form displays a
currently valid OMB control number.**

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security
(Instr. 4)

2. Date Exercisable and
Expiration Date
(Month/Day/Year)

3. Title and Amount of
Securities Underlying
Derivative Security
(Instr. 4)

4. Conversion
or Exercise
Price of
Derivative

5. Ownership
Form of
Derivative
Security:

6. Nature of Indirect
Beneficial Ownership
(Instr. 5)

Edgar Filing: Morningstar, Inc. - Form 3

	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	Security	Direct (D) or Indirect (I) (Instr. 5)	
Stock Option (Right to Buy)	Â <u>(1)</u>	06/30/2006	Common Stock	2,880	\$ 2	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	06/28/2006	Common Stock	9,258	\$ 2	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	06/30/2007	Common Stock	6,426	\$ 2	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	06/30/2008	Common Stock	3,204	\$ 2.77	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	12/01/2008	Common Stock	4,056	\$ 2.77	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	12/01/2008	Common Stock	8,112	\$ 2.77	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	06/30/2008	Common Stock	6,405	\$ 2.77	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	06/30/2009	Common Stock	4,323	\$ 10.98	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	06/30/2009	Common Stock	8,754	\$ 10.98	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	12/01/2009	Common Stock	3,570	\$ 10.98	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	12/01/2009	Common Stock	7,140	\$ 10.98	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	05/01/2010	Common Stock	730,000	\$ 14.13	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	02/15/2009	Common Stock	652,310	\$ 2.77	D	Â
Stock Option (Right to Buy)	Â <u>(2)</u>	02/15/2009	Common Stock	216,864	\$ 2.77	D	Â
Stock Option (Right to Buy)	Â <u>(3)</u>	05/01/2011	Common Stock	7,500	\$ 14.13	D	Â
Stock Option (Right to Buy)	Â <u>(3)</u>	05/01/2011	Common Stock	7,500	\$ 14.13	D	Â
Stock Option (Right to Buy)	Â <u>(4)</u>	05/01/2012	Common Stock	5,000	\$ 10.95	D	Â
Stock Option (Right to Buy)	Â <u>(5)</u>	05/01/2013	Common Stock	10,000	\$ 8.57	D	Â
Stock Option (Right to Buy)	Â <u>(6)</u>	12/01/2014	Common Stock	40,000	\$ 14.96 <u>(7)</u>	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Phillips Donald James II C/O MORNINGSTAR, INC. 225 WEST WACKER DRIVE CHICAGO, IL 60606	☒ X	☐	☒ Managing Director	☐

Signatures

/s/ Peter Olson, by power of attorney 05/02/2005

Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 5(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) Immediately exercisable
- (2) The remaining options vest and become exercisable over a period of six years in equal annual installments beginning on February 15, 2003
- (3) The option vests and becomes exercisable over a period of four years in equal annual installments beginning on the initial vesting date of May 1, 2002
- (4) The option vests and becomes exercisable over a period of four years in equal annual installments beginning on the initial vesting date of May 1, 2003
- (5) The option vests and becomes exercisable over a period of four years in equal annual installments beginning on the initial vesting date of May 1, 2004
- (6) The option vests and becomes exercisable over a period of four years in equal annual installments beginning on the initial vesting date of May 1, 2005
- (7) The exercise price is determined by the daily indexing of the fair market value of the shares on the grant date (\$14.70) against the 10-Year U.S. Treasury Bond Rate on November 15, 2004, compounded annually. Therefore the exercise price is subject to change throughout the life of the option. On April, 30, 2005, the exercise price was \$14.96.

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.