

Morningstar, Inc.  
Form 4  
December 18, 2007

# FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287  
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

### STATEMENT OF CHANGES IN 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 \*  
Odelbo Catherine Gillis

(Last) (First) (Middle)

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

(Street)

CHICAGO, IL 60606

(City) (State) (Zip)

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

3. Date of Earliest Transaction  
(Month/Day/Year)  
12/18/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)

President, Individual Business

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 Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	12/18/2007		M		22,500 A \$ 14.13	D	
Common Stock	12/18/2007		M		2,500 A \$ 8.57	D	
Common Stock	12/18/2007		S		5,000 D \$ 74	D	
Common Stock	12/18/2007		S		5,000 D \$ 74.4	D	
Common Stock	12/18/2007		S		5,000 D \$ 74.5	D	

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

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(9-02)

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 8.57	12/18/2007		M	2,500	<u>(1)</u> 05/01/2013	Common	2,500
Employee Stock Option (Right to Buy)	\$ 14.13	12/18/2007		M	7,500	<u>(2)</u> 05/01/2011	Common	7,500
Employee Stock Option (Right to Buy)	\$ 14.13	12/18/2007		M	7,500	<u>(2)</u> 05/01/2011	Common	7,500
Employee Stock Option (Right to Buy)	\$ 14.13	12/18/2007		M	7,500	<u>(3)</u> 05/01/2010	Common	7,500

## Reporting Owners

Reporting Owner Name / Address

Relationships

Director      10% Owner      Officer      Other

Odelbo Catherine Gillis  
C/O MORNINGSTAR, INC.  
225 WEST WACKER DRIVE  
CHICAGO, IL 60606

President,  
Individual  
Business

## Signatures

/s/ Heidi Miller, by power of  
attorney

12/18/2007

\_\_Signature of Reporting Person

Date

## 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, 2004, 2005, 2006, and 2007.
  - (2) The options became exercisable in four equal installments on May 1, 2002, 2003, 2004, and 2005.
  - (3) The options became exercisable in four equal installments on May 1, 2001, 2002, 2003, and 2004.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.  
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