

Morningstar, Inc.
Form 4
February 14, 2008

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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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 *
Armour Timothy K

(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)

02/13/2008

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
X Officer (give title below) ___ Other (specify below)

Managing Director

6. Individual or Joint/Group Filing(Check Applicable Line)

X 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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount or Price | | |
| Common Stock | 02/13/2008 | | M | | 120,000 A \$ 2 | 414,115 | D |
| Common Stock | 02/13/2008 | | M | | 2,446 A \$ 2.77 | 416,561 | D |
| Common Stock | 02/13/2008 | | M | | 4,893 A \$ 2.77 | 421,454 | D |
| Common Stock | 02/13/2008 | | M | | 6,971 A \$ 2.77 | 428,425 | D |
| Common Stock | 02/13/2008 | | M | | 3,963 A \$ 10.98 | 432,388 | D |

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| | | | | | | | |
|--------------|------------|---|-------|---|----------|---------|---|
| Common Stock | 02/13/2008 | M | 8,022 | A | \$ 10.98 | 440,410 | D |
| Common Stock | 02/13/2008 | M | 3,273 | A | \$ 10.98 | 443,683 | D |
| Common Stock | 02/13/2008 | M | 6,546 | A | \$ 10.98 | 450,229 | 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 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) | |
|--|--|--------------------------------------|--|--------------------------------|---|---------|--|-----------------|---|----------------------|
| | | | | | V | (A) (D) | Date Exercisable | Expiration Date | Title | Amount Number Shares |
| Employee Stock Option (Right to Buy) | \$ 2 | 02/13/2008 | | M | | 120,000 | <u>(1)</u> | 04/15/2008 | Common | 120,000 |
| Employee Stock Option (Right to Buy) | \$ 2.77 | 02/13/2008 | | M | | 2,446 | <u>(2)</u> | 06/30/2008 | Common | 2,446 |
| Employee Stock Option (Right to Buy) | \$ 2.77 | 02/13/2008 | | M | | 4,893 | <u>(2)</u> | 06/30/2008 | Common | 4,893 |
| Employee Stock Option (Right to Buy) | \$ 2.77 | 02/13/2008 | | M | | 6,971 | <u>(3)</u> | 12/01/2008 | Common | 6,971 |
| Employee Stock Option | \$ 10.98 | 02/13/2008 | | M | | 3,963 | <u>(4)</u> | 06/30/2009 | Common | 3,963 |

Option
(Right to
Buy)

Employee
Stock

| | | | | | | | | |
|--------|----------|------------|---|-------|------------|------------|--------|-------|
| Option | \$ 10.98 | 02/13/2008 | M | 8,022 | <u>(4)</u> | 06/30/2009 | Common | 8,022 |
|--------|----------|------------|---|-------|------------|------------|--------|-------|

Employee
Stock

| | | | | | | | | |
|--------|----------|------------|---|-------|---------------|------------|--------|-------|
| Option | \$ 10.98 | 02/13/2008 | M | 3,273 | <u>(1)(5)</u> | 12/01/2009 | Common | 3,273 |
|--------|----------|------------|---|-------|---------------|------------|--------|-------|

Employee
Stock

| | | | | | | | | |
|--------|----------|------------|---|-------|------------|------------|--------|-------|
| Option | \$ 10.98 | 02/13/2008 | M | 6,546 | <u>(5)</u> | 12/01/2009 | Common | 6,546 |
|--------|----------|------------|---|-------|------------|------------|--------|-------|

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Armour Timothy K
C/O MORNINGSTAR, INC.
225 WEST WACKER DRIVE
CHICAGO, IL 60606

Managing Director

Signatures

/s/ Heidi Miller, by power of
attorney

02/14/2008

__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 five equal installments on April 15, 1999, 2000, 2001, 2002, and 2003.
- (2) The options became exercisable in five equal installments on June 30, 1999, 2000, 2001, 2002, and 2003.
- (3) The options became exercisable in five equal installments on December 1, 1999, 2000, 2001, 2002, and 2003.
- (4) The options became exercisable in five equal installments on June 30, 2000, 2001, 2002, 2003, and 2004.
- (5) The options became exercisable in five equal installments on December 1, 2000, 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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