

Morningstar, Inc.  
Form 3  
May 02, 2005

**FORM 3**

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

OMB APPROVAL

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**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 Williams David W  
(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  
\_\_X\_\_ Officer \_\_\_ Other  
(give title below) (specify below)  
Managing Director, Design

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 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

4,736

D Â

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

SEC 1473 (7-02)

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information contained in this form are not  
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**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)

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	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>	06/30/2007	Common Stock	785	\$ 2	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	06/30/2008	Common Stock	1,335	\$ 2.77	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	12/01/2008	Common Stock	1,596	\$ 2.77	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	12/01/2008	Common Stock	3,192	\$ 2.77	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	06/30/2008	Common Stock	2,670	\$ 2.77	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	12/31/2007	Common Stock	24,000	\$ 2	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	06/30/2009	Common Stock	1,362	\$ 10.98	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	06/30/2009	Common Stock	2,754	\$ 10.98	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	12/01/2009	Common Stock	1,191	\$ 10.98	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	12/01/2009	Common Stock	2,379	\$ 10.98	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	03/17/2010	Common Stock	15,000	\$ 14.13	D	Â
Stock Option (Right to Buy)	Â <u>(1)</u>	05/01/2010	Common Stock	53,000	\$ 14.13	D	Â
Stock Option (Right to Buy)	Â <u>(2)</u>	05/01/2011	Common Stock	7,500	\$ 14.13	D	Â
Stock Option (Right to Buy)	Â <u>(2)</u>	05/01/2011	Common Stock	7,500	\$ 14.13	D	Â
Stock Option (Right to Buy)	Â <u>(3)</u>	05/01/2012	Common Stock	10,000	\$ 10.95	D	Â
Stock Option (Right to Buy)	Â <u>(4)</u>	05/01/2013	Common Stock	10,000	\$ 8.57	D	Â
Stock Option (Right to Buy)	Â <u>(5)</u>	12/01/2014	Common Stock	55,000	\$ 14.96 <u>(6)</u>	D	Â

## Reporting Owners

Reporting Owner Name / Address	Relationships
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Reporting Owners

## Edgar Filing: Morningstar, Inc. - Form 3

Director 10% Owner Officer

Other

Williams David W  
C/O MORNINGSTAR, INC.  
225 WEST WACKER DRIVE  
CHICAGO, IL 60606

Â Â Â Managing Director, Design Â

## 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 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.

(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, 2003.

(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, 2004.

(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, 2005.

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.

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