Morningstar, Inc. Form 4 May 04, 2005

FORM 4

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

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Form 4 or Form 5 Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue. 30(h) of the Investment Company Act of 1940 See Instruction 1(b).

OMB APPROVAL

OMB 3235-0287 Number:

January 31, Expires: 2005 Estimated average

burden hours per response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person * Boruff Christopher P

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to

Issuer

(First) (Middle) (Last)

(Street)

3. Date of Earliest Transaction

Morningstar, Inc. [MORN]

Director 10% Owner X_ Officer (give title Other (specify

(Check all applicable)

C/O MORNINGSTAR, INC., 225

05/02/2005

(Month/Day/Year)

below) President, Advisor Business

WEST WACKER DRIVE

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

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting Person

CHICAGO, IL 60606

(City) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) (Instr. 3)

Execution Date, if (Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

5. Amount of Securities Beneficially Owned Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial (I) Ownership (Instr. 4) (Instr. 4)

Reported (A) Transaction(s)

(Instr. 3 and 4) Code V Amount (D) Price

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

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

1. Title of 3. Transaction Date 3A. Deemed Derivative Conversion (Month/Day/Year) Security or Exercise

Execution Date, if any

4. 5. Number of TransactionDerivative Code Securities

6. Date Exercisable and **Expiration Date** (Month/Day/Year)

7. Title and Amount of 8 **Underlying Securities** (Instr. 3 and 4)

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(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8	or Dispos (D)	(Instr. 3, 4,				
				Code '	V (A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (Right to Buy)	\$ 18.5 <u>(1)</u>	05/02/2005	05/02/2005	A	25,000		(2)	05/02/2015	Common Stock	25,000

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Boruff Christopher P C/O MORNINGSTAR, INC. 225 WEST WACKER DRIVE CHICAGO, IL 60606

President, Advisor Business

Signatures

Peter Olson, by power of attorney

05/04/2005

**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).
- The exercise price of these options will increase over the term of the options at a rate equal to the 10-year Treasury yield rate as of May 2, 2005
- (2) The options vest and become exercisable over a period of four years in equal annual installments beginning on the initial vesting date of May 2, 2006.

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.

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