Morningstar, Inc. Form 4 September 26, 2006

# FORM 4

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

Check this box if no longer subject to Section 16. Form 4 or

Form 5

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

**OMB APPROVAL** 

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January 31,

2005

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obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person ** Phillips Donald James II			2. Issuer Name <b>and</b> Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer		
			Morningstar, Inc. [MORN]	(Check all applicable)		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction			
			(Month/Day/Year)	X Director 10% Owner		
C/O MORNINGSTAR, INC., 225			09/25/2006X_ Officer (give title Oth			
WEST WACKER DRIVE				below) below) Managing Director		
	(Street)		4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check		
			Filed(Month/Day/Year)	Applicable Line)		
CHICAGO, IL 60606				_X_ Form filed by One Reporting Person Form filed by More than One Reporting Person		
(City)	(State)	(Zip)	Table I - Non-Derivative Securities Ac	equired Disposed of or Ranaficially Owner		

(City)	(State)	(Zip) Tab	le I - Non-	Derivative	e Secu	rities Acqui	red, Disposed of,	or Beneficiall	y Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. 4. Securities Acquired (A) Transaction Disposed of (D) Code (Instr. 3, 4 and 5) (Instr. 8)			5. Amount of Securities Beneficially Owned Following Reported	6. Ownership Form: Direct (D) or Indirect (I)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
			Code V	Amount	or (D)	Price	Transaction(s) (Instr. 3 and 4)	(Instr. 4)	
Common Stock	09/25/2006		S(1)	47	D	\$ 36.695	201,175	D	
Common Stock	09/25/2006		S <u>(1)</u>	46	D	\$ 36.7139	201,129	D	
Common Stock	09/25/2006		S(1)	140	D	\$ 36.72	200,989	D	
Common Stock	09/25/2006		S <u>(1)</u>	47	D	\$ 36.75	200,942	D	
Common Stock	09/25/2006		S <u>(1)</u>	140	D	\$ 36.76	200,802	D	

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Common Stock	09/25/2006	S <u>(1)</u>	47	D	\$ 36.78	200,755	D
Common Stock	09/25/2006	S(1)	47	D	\$ 36.8	200,708	D
Common Stock	09/25/2006	S(1)	328	D	\$ 36.81	200,380	D
Common Stock	09/25/2006	S(1)	187	D	\$ 36.82	200,193	D
Common Stock	09/25/2006	S <u>(1)</u>	81	D	\$ 36.84	200,112	D
Common Stock	09/25/2006	S <u>(1)</u>	106	D	\$ 36.85	200,006	D
Common Stock	09/25/2006	S <u>(1)</u>	94	D	\$ 36.86	199,912	D
Common Stock	09/25/2006	S(1)	46	D	\$ 36.8742	199,866	D
Common Stock	09/25/2006	S(1)	140	D	\$ 36.8909	199,726	D
Common Stock	09/25/2006	S(1)	46	D	\$ 36.9	199,680	D
Common Stock	09/25/2006	S <u>(1)</u>	94	D	\$ 36.91	199,586	D
Common Stock	09/25/2006	S <u>(1)</u>	94	D	\$ 36.95	199,492	D
Common Stock	09/25/2006	S(1)	94	D	\$ 36.9557	199,398	D
Common Stock	09/25/2006	S(1)	94	D	\$ 36.97	199,304	D
Common Stock	09/25/2006	S <u>(1)</u>	47	D	\$ 36.9733	199,257	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	2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exercisable and	7. Title and	8. Price of	9. Nu
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transactio	orNumber	Expiration Date	Amount of	Derivative	Deriv
Security	or Exercise		any	Code	of	(Month/Day/Year)	Underlying	Security	Secui
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivativo	2	Securities	(Instr. 5)	Bene
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Derivative Securities (Instr. 3 and 4) Security Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) Code V (A) (D) Date Expiration Title Amount Exercisable Date Number of Shares

## **Reporting Owners**

Reporting Owner Name / Address

Director 10% Owner Officer Other

Phillips Donald James II

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

## **Signatures**

/s/ Rachel Felsenthal, by power of attorney

09/26/2006

\*\*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 sales reported on this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on May 9, 2006.

#### **Remarks:**

Form 2 of 2

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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