Cooley Richard Scott Form 4 November 08, 2012

## FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**SECURITIES** 

**OMB APPROVAL** 

OMB 3235-0287 Number: January 31,

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Check this box if no longer subject to Section 16. Form 4 or Form 5

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 * Cooley Richard Scott			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)	Director 10% Owner			
C/O MORNINGSTAR, INC., 22 WEST WASHINGTON STREET			11/06/2012	X Officer (give title Other (specify			
				below) below)			
				Chief Financial Officer			
(Street)			4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check			
			Filed(Month/Day/Year)	Applicable Line)			
				_X_ Form filed by One Reporting Person			
CHICAGO, IL 60602				Form filed by More than One Reporting			
				Person			

(City)	(State)	(Zip) 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. 4. Securities Acquired (A) Transaction Disposed of (D) Code (Instr. 3, 4 and 5) (Instr. 8)  (A) or			(D)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. 7. Nature of Ownership Indirect Form: Beneficial Direct (D) Ownership or Indirect (Instr. 4) (I) (Instr. 4)	
Common Stock	11/06/2012		M	2,000	A	\$ 8.57	40,257	D	
Common Stock	11/06/2012		S <u>(1)</u>	2,000	D	\$ 63.8984 (2)	38,257	D	
Common Stock	11/07/2012		M	2,000	A	\$ 20.4534 (3)	40,257	D	
Common Stock	11/07/2012		S <u>(1)</u>	2,000	D	\$ 63.5518	38,257	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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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. Transactio Code (Instr. 8)	5. Number proof 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)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 8.57	11/06/2012		M	2,000	(5)	05/01/2013	Common Stock	2,000
Employee Stock Option (Right to Buy)	\$ 20.4534 ( <u>3)</u>	11/07/2012		M	2,000	<u>(6)</u>	12/01/2014	Common Stock	2,000

# **Reporting Owners**

Reporting Owner Name / Address

Director 10% Owner Officer Other

Cooley Richard Scott C/O MORNINGSTAR, INC. 22 WEST WASHINGTON STREET CHICAGO, IL 60602

Chief Financial Officer

## **Signatures**

/s/ Heidi Miller, by power of attorney 11/08/2012

\*\*Signature of Reporting Person Date

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## **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 July 31, 2012.
- The transaction was executed in multiple trades at prices ranging from \$63.59 to \$64.41. The price reported above reflects the weighted average sale price. The reporting person hereby undertakes to provide upon request to the SEC staff, Morningstar or a shareholder of Morningstar full information regarding the number of shares and prices at which the transaction was effected.
- The exercise price increases over the term of the option at a rate equal to the 10-year Treasury bond yield as of the date of grant (\$14.70). On November 7, 2012, the exercise price was \$20.4534.
  - The transaction was executed in multiple trades at prices ranging from \$63.29 to \$63.82. The price reported above reflects the weighted
- (4) average sale price. The reporting person hereby undertakes to provide upon request to the SEC staff, Morningstar or a shareholder of Morningstar full information regarding the number of shares and prices at which the transaction was effected.
- (5) The options become exercisable in four equal installments on May 1, 2004, 2005, 2006 and 2007.
- (6) The options become exercisable in four equal installments on May 1, 2005, 2006, 2007 and 2008.

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.