

Morningstar, Inc.  
Form 4  
May 22, 2006

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**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 \*  
Odelbo Catherine Gillis

(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)  
05/19/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_ 10% Owner  
 Officer (give title below) \_\_\_ Other (specify below)  
President, Individual Business

6. Individual or Joint/Group Filing(Check Applicable Line)  
 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 Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Code V Amount (D) Price		

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	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		Date Exercisable	Expiration Date	Title	Amount or Number of Shares
				Code	V (A) (D)				
Employee Stock Option (Right to Buy)	\$ 2	05/19/2006	M		3,807	<u>(1)</u>	06/28/2006	Common Stock	3,807
Employee Stock Option (Right to Buy)	\$ 2	05/19/2006	M		12,252	<u>(1)</u>	06/28/2006	Common Stock	12,252
Employee Stock Option (Right to Buy)	\$ 2	05/19/2006	M		5,949	<u>(2)</u>	06/30/2007	Common Stock	5,949
Employee Stock Option (Right to Buy)	\$ 2.77	05/19/2006	M		2,136	<u>(3)</u>	06/30/2008	Common Stock	2,136
Employee Stock Option (Right to Buy)	\$ 2.77	05/19/2006	M		4,272	<u>(3)</u>	06/30/2008	Common Stock	4,272
Employee Stock Option (Right to Buy)	\$ 2.77	05/19/2006	M		2,958	<u>(4)</u>	12/01/2008	Common Stock	2,958
Employee Stock Option (Right to Buy)	\$ 2.77	05/19/2006	M		5,916	<u>(4)</u>	12/01/2008	Common Stock	5,916
Employee Stock Option (Right to Buy)	\$ 10.98	05/19/2006	M		2,523	<u>(5)</u>	06/30/2009	Common Stock	2,523

Buy)									
Employee Stock Option (Right to Buy)	\$ 10.98	05/19/2006	M	5,106	<u>(5)</u>	06/30/2009	Common Stock	5,106	
Employee Stock Option (Right to Buy)	\$ 10.98	05/19/2006	M	2,082	<u>(6)</u>	12/01/2009	Common Stock	2,082	
Employee Stock Option (Right to Buy)	\$ 10.98	05/19/2006	M	4,164	<u>(6)</u>	12/01/2009	Common Stock	4,164	
Employee Stock Option (Right to Buy)	\$ 14.13	05/19/2006	M	2,500	<u>(7)</u>	05/01/2010	Common Stock	2,500	
Employee Stock Option (Right to Buy)	\$ 10.95	05/19/2006	M	10,000	<u>(8)</u>	05/01/2012	Common Stock	10,000	
Employee Stock Option (Right to Buy)	\$ 8.57	05/19/2006	M	7,500	<u>(9)</u>	05/01/2013	Common Stock	7,500	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Odelbo Catherine Gillis C/O MORNINGSTAR, INC. 225 WEST WACKER DRIVE CHICAGO, IL 60606			President, Individual Business	

## Signatures

/s/ D. Scott Schilling, by power of attorney

05/22/2006

\_\_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 options became exercisable in four equal installments on June 28, 1997, 1998, 1999 and 2000.
- (2) The options became exercisable in four equal installments on June 30, 1998, 1999, 2000 and 2001.
- (3) The options became exercisable in four equal installments on June 30, 1999, 2000, 2001 and 2002.
- (4) The options became exercisable in four equal installments on December 1, 1999, 2000, 2001 and 2002.
- (5) The options became exercisable in four equal installments on June 30, 2000, 2001, 2002 and 2003.
- (6) The options became exercisable in four equal installments on December 1, 2000, 2001, 2002 and 2003.
- (7) The options became exercisable in four equal installments on May 1, 2001, 2002, 2003 and 2004.
- (8) The options became exercisable in four equal installments on May 1, 2003, 2004, 2005 and 2006.
- (9) The options become exercisable in four equal installments on May 1, 2004, 2005, 2006 and 2007.

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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