

Morningstar, Inc.  
Form 4  
November 21, 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 \*  
Desmond Bevin

(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)

11/21/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_ 10% Owner  
\_X\_ Officer (give title below) \_\_\_ Other (specify below)

President, Int'l Business

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 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 Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)		
			Code	V	Amount	(D)	Price		
Common Stock	11/21/2006		M		6,456	A	\$ 14.13	20,037	D
Common Stock	11/21/2006		M		12,000	A	\$ 14.13	32,037	D
Common Stock	11/21/2006		S <sup>(3)</sup>		6,741	D	\$ 47	25,296	D
Common Stock	11/21/2006		S <sup>(3)</sup>		992	D	\$ 47.01	24,304	D
Common Stock	11/21/2006		S <sup>(3)</sup>		908	D	\$ 47.02	23,396	D

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Common Stock	11/21/2006	S <sup>(3)</sup>	2,658	D	\$ 47.03	20,738	D
Common Stock	11/21/2006	S <sup>(3)</sup>	1,097	D	\$ 47.04	19,641	D
Common Stock	11/21/2006	S <sup>(3)</sup>	100	D	\$ 47.0467	19,541	D
Common Stock	11/21/2006	S <sup>(3)</sup>	400	D	\$ 47.05	19,141	D
Common Stock	11/21/2006	S <sup>(3)</sup>	1,288	D	\$ 47.06	17,853	D
Common Stock	11/21/2006	S <sup>(3)</sup>	560	D	\$ 47.07	17,293	D
Common Stock	11/21/2006	S <sup>(3)</sup>	1,012	D	\$ 47.08	16,281	D
Common Stock	11/21/2006	S <sup>(3)</sup>	700	D	\$ 47.09	15,581	D
Common Stock	11/21/2006	S <sup>(3)</sup>	900	D	\$ 47.1	14,681	D
Common Stock	11/21/2006	S <sup>(3)</sup>	700	D	\$ 47.11	13,981	D
Common Stock	11/21/2006	S <sup>(3)</sup>	300	D	\$ 47.12	13,681	D
Common Stock	11/21/2006	S <sup>(3)</sup>	100	D	\$ 47.13	13,581	D

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

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(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 (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. Transaction Code (Instr. 8)	5. Number of 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)	\$ 14.13	11/21/2006	M	6,456	<u>(1)</u>	03/17/2010	Common Stock	6,456
Employee Stock Option (Right to Buy)	\$ 14.13	11/21/2006	M	12,000	<u>(2)</u>	05/01/2010	Common Stock	12,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Desmond Bevin C/O MORNINGSTAR, INC. 225 WEST WACKER DRIVE CHICAGO, IL 60606			President, Int'l Business	

## Signatures

/s/ Rachel  
Felsenthal

11/21/2006

\*\*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 March 17, 2001, 2002, 2003 and 2004.
- (2) The options became exercisable in four equal installments on May 1, 2001, 2002, 2003 and 2004.
- (3) The sales reported on this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on June 28, 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.