

SECURITIES AND EXCHANGE COMMISSION

FORM 3

Filing Date: **2005-05-02** | Period of Report: **2005-05-02**
SEC Accession No. **0001104659-05-019719**

([HTML Version](#) on [secdatabase.com](#))

ISSUER

Morningstar, Inc.

CIK: **1289419** | IRS No.: **363297908** | State of Incorporation: **IL** | Fiscal Year End: **1231**
SIC: **6282** Investment advice

Mailing Address
225 WEST WACKER DRIVE
CHICAGO IL 60606

Business Address
225 WEST WACKER DRIVE
CHICAGO IL 60606
(312) 696-6000

REPORTING OWNER

Sturm Paul W

CIK: **1323988**
Type: **3** | Act: **34** | File No.: **000-51280** | Film No.: **05792107**

Mailing Address
943 WINDSOR STREET
SANTA CRUZ CA 95062

Business Address
(831) 425-8500

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0104
 Expires: 02/28/2011
 Estimated average burden
 hours per response 0.5

INITIAL STATEMENT OF 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

1. Name and Address of Reporting Person Sturm Paul W (Last) (First) (Middle) 943 WINDSOR STREET (Street) SANTA CRUZ, CA 95062 (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 05/02/2005	3. Issuer Name and Ticker or Trading Symbol Morningstar, Inc. [MORN]	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)	5. If Amendment, Date Original Filed (Month/Day/Year) 6. Individual or Joint/Group Filing (Check applicable line) <input checked="" type="checkbox"/> Form Filed by One Reporting Person <input type="checkbox"/> Form Filed by More than One Reporting Person

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	300,000	D	

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

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Stock Option (Right to Buy)	(1)	01/09/2008	Common Stock	60,000	\$2	D	
Stock Option (Right to Buy)	(1)	01/22/2009	Common Stock	12,000	\$2.77	D	
Stock Option (Right to Buy)	(1)	01/28/2010	Common Stock	12,000	\$10.98	D	
Stock Option (Right to Buy)	(1)	01/26/2011	Common Stock	12,000	\$14.13	D	
Stock Option (Right to Buy)	(1)	01/28/2012	Common Stock	12,000	\$10.95	D	
Stock Option (Right to Buy)	(2)	01/30/2013	Common Stock	12,000	\$8.57	D	
Stock Option (Right to Buy)	(3)	12/01/2014	Common Stock	12,000	\$14.96 ⁽⁴⁾	D	

Explanation of Responses:

1. Immediately exercisable.

2. The option vests and becomes exercisable over a period of three years in equal annual installments beginning on the initial vesting date of January 30, 2004.
3. The option vests and becomes exercisable over a period of three years in equal annual installments beginning on the initial vesting date of January 27, 2005.
4. The exercise price is determined by the daily indexing of the fair market value of the shares on the grant date (\$14.70) against the 10-Year U.S. Treasury Bond Rate on November 15, 2004, compounded annually. Therefore the exercise price is subject to change throughout the life of the option. On April, 30, 2005, the exercise price was \$14.96.

Signatures

/s/ Peter Olson, by power of attorney

** Signature of Reporting Person

05/02/2005

Date

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

* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.

