



News Release

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FOR IMMEDIATE RELEASE

Morningstar Publishes Operational Risk Assessment Methodology for Residential, Consumer Finance, and Vendor Servicing Rankings

CHICAGO, July 22, 2011 - Morningstar, Inc.'s (NASDAQ: MORN) structured credit ratings business has published a methodology document outlining the methodology and process it will apply when assessing the operational capabilities and performance of residential mortgage prime, nonprime, subordinate lien, special, master, and component servicers as well as consumer finance servicers and vendors to the residential servicing industry.

Michael Gutierrez, managing director of Morningstar's operational risk assessment practice, said, "Our operational risk assessments and rankings will provide investors with a clear and independent opinion of a servicer's ability to manage non credit-related risks and requirements within different types of servicing assignments. For the first time, investors will also be able to gain insight on how vendors that serve the residential servicing industry perform with regard to their contractual responsibilities as well as how they manage their own internal operational risk."

Morningstar's operational risk assessment methodology considers a servicer's and vendor's practices, performance results, and operational characteristics by examining a number of quantitative and qualitative measures across the organization. The assessments will also examine the growing role of component servicers in the residential servicing industry. Our assessment methodology will provide insight on the highly specialized tasks that component servicers undertake and measure their expertise accordingly based on their performance metrics and operational risk infrastructure.

Morningstar's operational risk assessment practice assigns residential servicer rankings using a four-tiered scale ranging from 'MOR RS1' (highest) to 'MOR RS4' (lowest). Additionally, the assessment methodology provides distinct rankings for consumer finance servicers ('MOR CF'), and vendors ('MOR V'). The Operational Risk Assessments of Residential and Consumer Finance Servicers and Vendors: Methodology and Process document, along with every servicer assessment report and ranking, is available on Morningstar's website at <http://ratingagency.morningstar.com>.

Morningstar's operational risk assessment practice will also provide assessments and rankings of servicers for the residential mortgage market.

About Morningstar, Inc.

Morningstar, Inc. is a leading provider of independent investment research in North America, Europe, Australia, and Asia. The company offers an extensive line of products and services for individuals, financial advisors, and institutions. Morningstar provides data on approximately 390,000 investment offerings, including stocks, mutual funds, and similar vehicles, along with real-time global market data on more than 5 million equities, indexes, futures, options, commodities, and precious metals, in addition to foreign exchange and Treasury markets. Morningstar also offers investment management services through its registered investment advisor subsidiaries and has nearly \$140 billion in assets under advisement and management as of March 31, 2011. The company has operations in 26 countries.

The operational risk assessment practice is part of Morningstar Credit Ratings, LLC, Morningstar Inc.'s structured credit research and ratings subsidiary, a Nationally Recognized Statistical Rating Organization (NRSRO).

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