

Reale John M  
Form 4  
February 14, 2019

**FORM 4**

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

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

## OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Reale John M

(Last) (First) (Middle)

C/O USG CORPORATION, 550  
WEST ADAMS STREET

(Street)

CHICAGO, IL 60661

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol

USG CORP [USG]

3. Date of Earliest Transaction  
(Month/Day/Year)

02/13/2019

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)

Senior Vice President

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<br>Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3. Transaction<br>Code<br>(Instr. 8) | 4. Securities Acquired<br>(A) or Disposed of (D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form: Direct<br>(D) or<br>Indirect (I)<br>(Instr. 4) | 7. Nature of<br>Ownership<br>(Instr. 4) |
|---------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-----------------------------------------|
| Common<br>Stock                       | 02/13/2019                              |                                                             | A                                    | Amount <sup>(1)</sup><br>266 <sub>(2)</sub>                             | (A)<br>or<br>(D)<br>A \$ 0 22,403                                                                                  | D                                                                    |                                         |
| Common<br>Stock                       | 02/13/2019                              |                                                             | F                                    | 93 <sup>(3)</sup>                                                       | \$ 43.17 22,310                                                                                                    | D                                                                    |                                         |
| Common<br>Stock                       | 02/13/2019                              |                                                             | M                                    | 543 <sup>(1)</sup><br><sub>(4)</sub>                                    | A \$ 0 22,853                                                                                                      | D                                                                    |                                         |
| Common<br>Stock                       | 02/13/2019                              |                                                             | F                                    | 188 <sup>(5)</sup>                                                      | \$ 43.17 22,665                                                                                                    | D                                                                    |                                         |
| Common<br>Stock                       |                                         |                                                             |                                      |                                                                         | 1,785.96                                                                                                           | I                                                                    | By 401(k)<br>Plan                       |

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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<br>Derivative<br>Security<br>(Instr. 3) | 2. Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4. Transaction<br>Code<br>(Instr. 8) | 5. Number<br>of<br>Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed<br>of (D)<br>(Instr. 3, 4,<br>and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) |                    | 7. Title and Amount of<br>Underlying Securities<br>(Instr. 3 and 4) |                                        | 8. Price of<br>Derivative<br>Security<br>(Instr. 5) |
|-----------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|--------------------|---------------------------------------------------------------------|----------------------------------------|-----------------------------------------------------|
|                                                     |                                                                    |                                         |                                                             | Code                                 | V (A) (D)                                                                                                          | Date<br>Exercisable                                            | Expiration<br>Date | Title                                                               | Amount<br>or<br>Number<br>of<br>Shares |                                                     |
| Market<br>Share<br>Units                            | (1) (4)                                                            | 02/13/2019                              |                                                             | M                                    | 362                                                                                                                | (1)(4)                                                         | (1)(4)             | Common<br>Stock                                                     | (1) (4)                                | \$ 0                                                |

## Reporting Owners

| Reporting Owner Name / Address                                                    | Relationships                    |
|-----------------------------------------------------------------------------------|----------------------------------|
|                                                                                   | Director 10% Owner Officer Other |
| Reale John M<br>C/O USG CORPORATION<br>550 WEST ADAMS STREET<br>CHICAGO, IL 60661 | Senior Vice President            |

## Signatures

/s/ Jonathan Dorfman,  
Attorney-In-Fact 02/14/2019

\_\_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) As previously disclosed, on November 8, 2018, the Board of Directors (the "Board") of USG Corporation (the "Company") approved the acceleration of the vesting of 90% of the Market Share Units and Performance Shares granted to the reporting person in 2016, as determined based on achievement of specified performance metrics, that were otherwise scheduled to vest between January 1, 2019 and March 30, 2019. Such accelerated Market Share Units and Performance Shares vested on December 26, 2018. The Board approved the accelerated vesting of such grants in order to mitigate the potential impact of Section 280G of the Internal Revenue Code of 1986, as amended, on the Company and the reporting person in connection with the pending merger of an indirect wholly-owned subsidiary of

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Gebr. Knauf KG with and into the Company. The transactions reported in this Form 4 represent the vesting of the remaining 10% of the Market Share Units and Performance Shares granted to the reporting person in 2016.

(2) These Performance Shares were granted on February 10, 2016. The Board certified performance of these Performance Shares on February 13, 2019.

(3) Shares withheld to satisfy tax withholding obligation with respect to Performance Shares that became earned.

These Market Share Units were granted on February 10, 2016. The Board certified performance of these Market Share Units on February

(4) 13, 2019 and the Company issued to the reporting person 1.5 shares of the Company's common stock for the Market Share Units originally granted, based on the closing prices of shares of the Company's common stock on the New York Stock Exchange for the first fifteen trading days in January 2019.

(5) Shares withheld to satisfy tax withholding obligation with respect to Market Share Units that became earned.

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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