

| 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**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

|  |  |  |
|--|--|--|
| 1. Name and Address of Reporting Person*<br><u>HERNANDEZ WILLIAM H</u><br><br>(Last) (First) (Middle)<br><br><u>C/O USG CORPORATION</u><br><u>550 WEST ADAMS STREET</u><br><br>(Street)<br><u>CHICAGO IL 60661</u><br><br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><u>USG CORP [ USG ]</u> | 5. Relationship of Reporting Person(s) to Issuer<br>(Check all applicable)<br><br><input checked="" type="checkbox"/> Director 10% Owner<br><br>Officer (give title below) Other (specify below) |
|  | 3. Date of Earliest Transaction (Month/Day/Year)<br><u>10/02/2018</u>  |  |
|  | 4. If Amendment, Date of Original Filed (Month/Day/Year)               | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br><br>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 | (A) or (D) | Price   |  |  |   |  |   |

**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 Securities Underlying Derivative Security (Instr. 3 and 4) |                            | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|--|-----------------|---|----------------------------|--|--|---|--|
|  |  |                                      |  | Code                           | V | (A)  | (D) | Date Exercisable   | Expiration Date | Title   | Amount or Number of Shares |  |  |   |  |
| Deferred Stock Units                       | (1)  | 10/02/2018                           |  | A <sup>(2)</sup>               |   | 311.8082   |     | (1)  | (1)             | Common Stock  | 311.8082                   | \$43.375 <sup>(3)</sup>                    | 27,361.1666 <sup>(4)</sup>   | D   |  |

**Explanation of Responses:**

- Each deferred stock unit represents the right to receive the value of one share of common stock. The deferred stock units become payable in shares of common stock following termination of service as a director.
- Reflects the reinvestment of dividend equivalents in additional deferred stock units pursuant to the USG Corporation Deferred Compensation Program for Non-Employee Directors.
- Mean of the high and low sales prices of a share of common stock on October 2, 2018.
- Deferred stock units granted to the reporting person prior to August 30, 2017 become payable in cash or shares of common stock, at the reporting person's option, following termination of service as a director.

/s/ Jonathan Dorfman  
Attorney-In-Fact

10/03/2018

\*\* Signature of Reporting Person 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.

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