

XEROX CORP
 Form 4
 February 10, 2005

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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 *
 MACDONALD MICHAEL C

(Last) (First) (Middle)
 800 LONG RIDGE ROAD, P. O.
 BOX 1600
 (Street)

STAMFORD, CT 06904

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 XEROX CORP [XRX]

3. Date of Earliest Transaction (Month/Day/Year)
 02/08/2005

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Senior Vice President

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 (A) or (D) Price			
Common Stock	02/08/2005		M	33,500 A \$ 0 ⁽¹⁾	91,807	D	
Common Stock	02/08/2005		S	33,500 D \$ 15.32	58,307	D	
Common Stock					4,228.78	I	Employee Stock Ownership Plan
Common Stock					45	I	Children
					55,000	D	

Edgar Filing: XEROX CORP - Form 4

Incentive
Stock
Rights

Xerox
Stock
Fund

10,518.18 I

Xerox
Stock Fund

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

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 control number.

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 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 Security (Instr. 3 and 4)	Amount of Underlying Security	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount of Underlying Security
Stock Option	\$ 4.75	05/10/2004		M	33,500	01/01/2002 ⁽³⁾	12/31/2010	Common Stock	33,500
Stock Option	\$ 5.14					10/14/2007	12/31/2011	Common Stock	50,000
Stock Option	\$ 7.885					01/01/2004 ⁽³⁾	12/31/2012	Common Stock	149,000
Stock Option	\$ 10.365					01/01/2003 ⁽³⁾	12/31/2011	Common Stock	93,000
Stock Option	\$ 21.7812					01/01/2005 ⁽³⁾	12/31/2009	Common Stock	30,000
Stock Option	\$ 36.7032					01/01/1999 ⁽²⁾	12/31/2005	Common Stock	36,000
Stock Option	\$ 46.875					01/01/1999 ⁽³⁾	12/31/2008	Common Stock	17,000
Stock Option	\$ 47.5					03/01/2003	12/31/2009	Common Stock	6,000
Stock Option	\$ 59.4375					01/01/2000 ⁽³⁾	12/31/2006	Common Stock	1,000
	\$ 0 ⁽¹⁾					08/08/1988 ⁽¹⁾	08/08/1988 ⁽¹⁾		\$ 58,000

Deferred Comp				Common Stock	
Stock Option	\$ 13.685	01/01/2005 ⁽³⁾	12/31/2011	Common Stock	77
Stock Option	\$ 15.205	01/01/2005 ⁽³⁾	12/31/2011	Common Stock	15

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MACDONALD MICHAEL C 800 LONG RIDGE ROAD P. O. BOX 1600 STAMFORD, CT 06904			Senior Vice President	

Signatures

K.W. Fizer,
Attorney-In-Fact 02/10/2005

**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) Not Applicable
- (2) Options vest over three years, 33%, 33%, 34%, beginning in year shown.
- (3) Options vest over three years, 33.3% per year beginning in year shown.

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.