

McDermott John E
Form 4
February 03, 2005

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

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
McDermott John E

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
C/O XEROX CORPORATION, P.O.
BOX 1600 / 800 LONG RIDGE
ROAD

3. Date of Earliest Transaction
(Month/Day/Year)
01/03/2005

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

(Street)
STAMFORD, CT 06904

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

6. Individual or Joint/Group Filing(Check
Applicable Line)
X Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

(City) (State) (Zip)

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 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			
Incentive Stock Rights	01/03/2005		J ⁽²⁾	V	6,333	D	\$ 0 ⁽³⁾	12,667	D	
Common Stock								2.595	I	Employee Stock Ownership Plan
Common Stock	01/03/2005		J ⁽²⁾	V	6,333	A	\$ 0 ⁽³⁾	15,639	D	
Common	01/03/2005		F ⁽¹⁾	V	2,313	D	\$ 0 ⁽³⁾	13,326	D	

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Stock

Common Stock	02/01/2005	M	33,300	A	\$ 0 ⁽³⁾	46,626	D
Common Stock	01/02/2005	S	1,400	D	\$ 15.73	45,226	D
Common Stock	02/01/2005	S	4,600	D	\$ 15.72	40,626	D
Common Stock	02/01/2005	S	1,500	D	\$ 15.71	39,126	D
Common Stock	02/01/2005	S	19,400	D	\$ 15.7	19,726	D

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

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(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 Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Stock Option	\$ 5.87	02/01/2005		M	5,200	01/01/2003 ⁽¹⁾ 12/31/2011	Common Stock 5,200
Stock Option	\$ 5.87	02/01/2005		M	28,100	01/01/2003 ⁽¹⁾ 12/31/2012	Common Stock 28,100
Stock Option	\$ 7.885					01/01/2004 ⁽¹⁾ 12/31/2012	Common Stock 28,100
Stock Option	\$ 13.685					01/01/2005 ⁽¹⁾ 12/31/2011	Common Stock 25,000
Stock Option	\$ 15.205					01/01/2005 ⁽¹⁾ 12/31/2011	Common Stock 6,000

Signatures

Explanation of Responses:

- 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.