

VARON LESLIE F  
Form 4  
February 16, 2007

**FORM 4**

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

OMB APPROVAL

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**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 \*  
VARON LESLIE F

(Last) (First) (Middle)  
XEROX CORPORATION, 800  
LONG RIDGE ROAD  
(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)  
01/02/2007

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)  
Vice President and Controller

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) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------|
| Common Stock                    |                                      |                                                    |                                |                                                                   | 3,510.47                                                                                      | I                                                        | Employee Stock Ownership Plan                         |
| Common Stock                    |                                      |                                                    |                                |                                                                   | 5                                                                                             | I                                                        | Spouse                                                |
| Incentive Stock Rights          | 01/02/2007                           |                                                    | J <sup>(4)</sup>               | V 6,334 D                                                         | \$ 0<br>(1)                                                                                   | D                                                        |                                                       |
| Xerox Stock Fund                |                                      |                                                    |                                |                                                                   | 804.931                                                                                       | I                                                        | Xerox Stock Fund                                      |

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|              |            |                  |   |       |   |             |             |   |
|--------------|------------|------------------|---|-------|---|-------------|-------------|---|
| Common Stock | 01/02/2007 | J <sup>(4)</sup> | V | 6,334 | A | \$ 0<br>(1) | 32,692.0725 | D |
| Common Stock | 01/02/2007 | F <sup>(4)</sup> | V | 2,348 | D | \$ 0<br>(1) | 30,344.0725 | D |

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. Code | 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 Underlying Security (Instr. 3 and 4) |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|---------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------|
| Stock Option                               | \$ 7.885                                               |                                      |                                                    |         |                                                                                         | 01/01/2004 <sup>(3)</sup> 12/31/2012                     | Common Stock                                      |
| Stock Option                               | \$ 9.25                                                |                                      |                                                    |         |                                                                                         | 01/01/2004 <sup>(3)</sup> 12/31/2010                     | Common Stock                                      |
| Stock Option                               | \$ 10.365                                              |                                      |                                                    |         |                                                                                         | 01/01/2003 <sup>(3)</sup> 12/31/2011                     | Common Stock                                      |
| Stock Option                               | \$ 21.7812                                             |                                      |                                                    |         |                                                                                         | 01/01/2001 <sup>(3)</sup> 12/31/2009                     | Common Stock                                      |
| Stock Option                               | \$ 25.8125                                             |                                      |                                                    |         |                                                                                         | 03/01/2003 <sup>(3)</sup> 12/31/2009                     | Common Stock                                      |
| Stock Option                               | \$ 59.4375                                             | 01/02/2007                           |                                                    | H V     | 628                                                                                     | 01/01/2000 <sup>(3)</sup> 12/31/2006                     | Common Stock                                      |
| Stock Option                               | \$ 59.4375                                             |                                      |                                                    |         |                                                                                         | 01/01/2000 <sup>(3)</sup> 12/31/2008                     | Common Stock                                      |
| Stock Option                               | \$ 13.685                                              |                                      |                                                    |         |                                                                                         | 01/01/2005 <sup>(3)</sup> 12/31/2011                     | Common Stock                                      |
| Performance Shares                         | \$ 0 <sup>(1)</sup>                                    | 02/15/2007                           |                                                    | A       | 8,333 <sup>(2)</sup>                                                                    | 08/08/1988 <sup>(1)</sup> 08/08/1988 <sup>(1)</sup>      | Common Stock                                      |

## Reporting Owners

| Reporting Owner Name / Address                                                   | Relationships |           |                               |       |
|----------------------------------------------------------------------------------|---------------|-----------|-------------------------------|-------|
|                                                                                  | Director      | 10% Owner | Officer                       | Other |
| VARON LESLIE F<br>XEROX CORPORATION<br>800 LONG RIDGE ROAD<br>STAMFORD, CT 06904 |               |           | Vice President and Controller |       |

## Signatures

|                                                |                     |
|------------------------------------------------|---------------------|
| Karen Boyle,<br>Attorney-in-Fact               | 02/16/2007          |
| <small>**Signature of Reporting Person</small> | <small>Date</small> |

## 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) These performance shares were earned based on achievement of specific annual performance criteria that are not tied solely to the market price of Issuer securities. Performance shares, to the extent earned, are scheduled to vest three years from their respective grant date.
  - (3) Options vest over three years, 33.3% per year beginning in year shown.
  - (4) Vesting of Incentive Stock Rights.

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.