

Lesko James H
Form 4
February 21, 2006

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 *

Lesko James H

(Last) (First) (Middle)

C/O XEROX CORPORATION, P.O.
BOX 1600 / 800 LONG RIDGE
ROAD

(Street)

STAMFORD, CT 06904-1600

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

XEROX CORP [XRX]

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

01/03/2006

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

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | | (A) or (D) Code V Amount (D) Price | | | |
| Incentive Stock Rights | 01/03/2006 | | J ⁽³⁾ | V 9,333 D \$ 0 ⁽²⁾ | 9,334 | D | |
| Common Stock | | | | | 5,447.37 | I | Employee Stock Ownership Plan |
| Common Stock | 01/03/2006 | | J ⁽³⁾ | V 9,333 A \$ 0 ⁽²⁾ | 17,535 | D | |
| Common Stock | 01/03/2006 | | F ⁽³⁾ | V 3,334 D \$ 0 | 14,019 | D | |

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Stock (2)

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

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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 (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) | | | |
|--|--|--------------------------------------|--|--------------------------------|--|--|---|------------------|-----------------|-------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title |
| Stock Option | \$ 46.875 | | | | | 01/01/1999 ⁽¹⁾ | 12/31/2008 | Common Stock | | |
| Stock Option | \$ 59.4375 | | | | | 01/01/2000 ⁽¹⁾ | 12/31/2006 | Common Stock | | |
| Stock Option | \$ 47.5 | | | | | 03/01/2003 | 12/31/2009 | Common Stock | | |
| Stock Option | \$ 21.7812 | | | | | 01/01/2005 | 12/31/2009 | Common Stock | | |
| Stock Option | \$ 10.365 | | | | | 01/01/2003 ⁽¹⁾ | 12/31/2011 | Common Stock | | |
| Stock Option | \$ 7.885 | | | | | 01/01/2004 ⁽¹⁾ | 12/31/2012 | Common Stock | | |
| Stock Option | \$ 13.685 | | | | | 01/01/2005 ⁽¹⁾ | 12/31/2011 | Common Stock | | |
| Performance Shares | \$ 0 ⁽²⁾ | 02/16/2006 | | A | 8,833 ⁽⁴⁾ | 08/08/1988 ⁽²⁾ | 08/08/1988 ⁽²⁾ | Common Stock | | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--------------------------------|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |

Lesko James H
C/O XEROX CORPORATION
P.O. BOX 1600 / 800 LONG RIDGE ROAD
STAMFORD, CT 06904-1600

Vice
President

Signatures

K. W. Fizer,
Attorney-in-Fact

02/21/2006

__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) Options vest over three years, 33.3% per year beginning in year shown.
- (2) Not Applicable
- (3) Vesting of Incentive Stock Rights.
- (4) 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.

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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