

MOTRONI HECTOR J
Form 4
October 30, 2006

FORM 4

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

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 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 *
MOTRONI HECTOR J

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)
800 LONG RIDGE ROAD, P. O.
BOX 1600

3. Date of Earliest Transaction (Month/Day/Year)
10/26/2006

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

(Street)
STAMFORD, CT 06904

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 (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 Price (D)		
Common Stock	10/26/2006		M/K ⁽⁴⁾		40,500 A \$ 0 ⁽³⁾	168,205.7078	D
Common Stock	10/26/2006		F/K ⁽⁴⁾		9,154 D \$ 16.88	159,051.7078	D
Common Stock	10/26/2006		S/K ⁽⁴⁾		11,396 D \$ 16.88	147,655.7078	D
Common Stock	10/26/2006		M/K ⁽⁴⁾		81,000 A \$ 0 ⁽³⁾	228,655.7078	D
Common Stock	10/26/2006		F/K ⁽⁴⁾		17,892 D \$ 16.88	210,763.7078	D

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Common Stock	10/26/2006	S/K	37,836	D	\$ 16.88	172,927.7078	D	
Common Stock	10/26/2006	S	4,500	D	\$ 16.87	168,427.7078	D	
Common Stock	10/26/2006	S	28,622	D	\$ 16.85	139,805.7078	D	
Common Stock	10/26/2006	S	12,100	D	\$ 16.84	127,705.7078	D	
Common Stock						5,046.14	I	Employee Stock Ownership Plan
Incentive Stock Rights						15,334	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 Underlying (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Stock Options	\$ 4.75	10/26/2006		M/K ⁽⁴⁾	40,500	01/01/2001 ⁽²⁾	12/31/2010	Common Stock
Stock Options	\$ 7.885	10/26/2006		M/K ⁽⁴⁾	81,000	01/01/2003 ⁽²⁾	12/31/2012	Common Stock
Stock Options	\$ 10.365					01/01/2002 ⁽²⁾	12/31/2011	Common Stock
Stock Options	\$ 21.7812					01/01/2005	12/31/2009	Common Stock
Stock Options	\$ 46.875					01/01/1999	12/31/2008	Common Stock

Stock Options	\$ 47.5		03/01/2003	12/31/2009	Common Stock
Stock Options	\$ 54.8594		01/01/2000	12/31/2008	Common Stock
Stock Options	\$ 59.4375		01/01/2000	12/31/2006	Common Stock
Deferred Comp. ⁽¹⁾	\$ 0		08/08/1988 ⁽²⁾	08/08/1988 ⁽²⁾	Common Stock
Stock Option	\$ 13.685		01/01/2005 ⁽²⁾	12/31/2011	Common Stock
Performance Shares	\$ 0 ⁽³⁾		08/08/1988 ⁽³⁾	08/08/1988 ⁽³⁾	Common Stock

Reporting Owners

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

Signatures

Karen Boyle,
Attorney-In-Fact

10/30/2006

**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) Hypothetical investment of deferred compensation in Xerox Stock Fund under the Xerox Saving Plan.
- (2) Options vest over three years, 33.3% per year beginning in year shown.
- (3) Not Applicable
- (4) Stock options were exercised by stock swap using the attestation method.
- (5) 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. 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.