

XEROX CORP
 Form 4
 November 08, 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 *
 Peacock Russell

(Last) (First) (Middle)
 45 GLOVER AVENUE
 (Street)

NORWALK, CT 06856

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
 11/06/2007

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

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Restricted Stock Units | | | | | 15,950 ⁽³⁾ | D | |
| Common Stock | 11/06/2007 | | M | 46,800 A | \$ 0 ⁽¹⁾ 54,469 | D | |
| Common Stock | 11/06/2007 | | S | 500 D | \$ 16.895 53,969 | D | |
| Common Stock | 11/06/2007 | | S | 11,500 D | \$ 16.9 42,469 | D | |
| Common Stock | 11/06/2007 | | S | 2,100 D | \$ 16.91 40,369 | D | |

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| | | | | | | | |
|--------------|------------|---|--------|---|-----------|--------|---|
| Common Stock | 11/06/2007 | S | 2,900 | D | \$ 16.92 | 37,469 | D |
| Common Stock | 11/06/2007 | S | 400 | D | \$ 16.93 | 37,069 | D |
| Common Stock | 11/06/2007 | S | 100 | D | \$ 16.935 | 36,969 | D |
| Common Stock | 11/06/2007 | S | 1,600 | D | \$ 16.94 | 35,369 | D |
| Common Stock | 11/06/2007 | S | 1,300 | D | \$ 16.945 | 34,069 | D |
| Common Stock | 11/06/2007 | S | 12,306 | D | \$ 16.95 | 21,763 | D |
| Common Stock | 11/06/2007 | S | 1,400 | D | \$ 16.955 | 20,363 | D |
| Common Stock | 11/06/2007 | S | 4,200 | D | \$ 16.89 | 16,163 | D |
| Common Stock | 11/06/2007 | S | 2,400 | D | \$ 16.96 | 13,763 | D |
| Common Stock | 11/06/2007 | S | 6,094 | D | \$ 16.97 | 7,669 | 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 Security (Instr. 3 and 4) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|---------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of |
| Stock Options | \$ 59.4375 | | | | | 01/01/2002 | 12/31/2008 | Common Stock | 4 |
| Stock Options | \$ 21.7812 | | | | | 01/01/2003 | 12/31/2009 | Common Stock | 4 |

| | | | | | | | | |
|--------------------|---------------------|------------|---|--------|---------------------------|------------|--------------|----|
| Stock Options | \$ 21.7812 | | | | 01/01/2003 | 12/31/2009 | Common Stock | 15 |
| Stock Options | \$ 13.685 | | | | 01/01/2006 | 12/31/2011 | Common Stock | 21 |
| Performance Shares | \$ 0 ⁽¹⁾ | | | | 08/08/1998 ⁽¹⁾ | 08/08/1998 | Common Stock | 7 |
| Stock Options | \$ 10.3645 | 11/06/2007 | M | 23,400 | 01/01/2005 ⁽⁴⁾ | 12/31/2011 | Common Stock | 23 |
| Stock Options | \$ 7.885 | 11/06/2007 | M | 23,400 | 01/01/2006 ⁽⁴⁾ | 12/31/2012 | Common Stock | 23 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|----------------|-------|
| | Director | 10% Owner | Officer | Other |
| Peacock Russell 45 GLOVER AVENUE NORWALK, CT 06856 | | | Vice President | |

Signatures

Karen Boyle,
Attorney-in Fact

11/08/2007

 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) These performance shares were earned based on achievement of specific annual performance criteriathat 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) Incentive stock rights under 16b-3 plan payable in shares treated as restricted stock. These rights are subject to vesting requirements.

(4) Options vest over three years, 33%, 33%, 34%, 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.

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