NICHOLAS NICHOLAS J JR
Form 4
January 18, 2006

FORM 4

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

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

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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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
NICHOLAS NICHOLAS J JR

(Last) (First) (Middle)

800 LONG RIDGE ROAD, P. O. BOX 1600

(Street)

STAMFORD 06904

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
01/16/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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)
			Code	V	Amount	(A) or (D)	Price			
Common Stock								106,700	D	
Common Stock								1,400	I	Spouse
Deferred Stock Unit	01/16/2006		A(5)		4,716	A	$ 15.375	15,690	D	

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

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SEC 1474 (9-02)

number.

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	$ 10.5							01/01/2004(3)	05/15/2013	Common Stock	5,000
Stock Option	$ 6.8							01/01/2003(3)	09/09/2012	Common Stock	5,000
Stock Option	$ 9.25							01/01/2002(3)	08/28/2011	Common Stock	5,000
Stock Option	$ 26.5625							01/01/1997(4)	05/22/2006	Common Stock	5,000
Stock Option	$ 27							01/01/2001(3)	05/18/2010	Common Stock	5,000
Stock Option	$ 32.1563							01/01/1998(4)	05/14/2007	Common Stock	5,000
Stock Option	$ 54.2188							01/01/1999(3)	05/22/2006	Common Stock	5,000
Stock Option	$ 60.4375							01/01/2000(3)	05/20/2009	Common Stock	5,000
Deferred Comp.	$ 0 (1)							08/08/1988(1)	08/08/1988(1)	Common Stock	$ 0 (1)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
NICHOLAS NICHOLAS J JR 800 LONG RIDGE ROAD P. O. BOX 1600	X			

STAMFORD 06904

Signatures

K. W. Fizer,
Attorney-In-Fact 01/18/2006

**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) Not Applicable

(2) Hypothetical investment of deferred compensation in Xerox Stock Fund under the Xerox Saving Plan.

(3) Options vest over three years, 33.3% per year beginning in year shown.

(4) Options vest over three years, 33%, 33%, 34%, beginning in year shown.

(5) Deferred Stock Unit issued as payment of fees under the terms of the 2004 Non-Employee Directors Compensation Plan

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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