

DE LIMA ARMANDO ZAGALO

Form 4

October 13, 2004

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
DE LIMA ARMANDO ZAGALO

(Last) (First) (Middle)

800 LONG RIDGE ROAD, P. O.
BOX 1600

(Street)

STAMFORD, CT, CT 06904

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol

XEROX CORP [XRX]

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

10/11/2004

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
____X____ Officer (give title ____ Other (specify
below) below)

Vice President

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)
Common Stock	10/11/2004		J ⁽³⁾	V Amount (A) or (D) Price 7,000 A \$ 0 (4)	60,655	D	
Common Stock	10/11/2004		F ⁽³⁾	2,800 D \$ 0 (4)	57,855	D	
Incentive Stock Rights	10/11/2004		J ⁽³⁾	7,000 D \$ 0 (4)	37,000	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)

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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 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)		8. D	9. S	10. (
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Stock Option	\$ 36.7032							01/01/1999 ⁽¹⁾	12/31/2005	Common Stock	46,018	
Stock Option	\$ 30.9688							01/01/1998 ⁽¹⁾	12/31/2004	Common Stock	4,020	
Stock Option	\$ 21.7812							01/01/2005 ⁽²⁾	12/31/2009	Common Stock	20,000	
Stock Option	\$ 4.75							01/01/2002 ⁽²⁾	12/31/2010	Common Stock	60,800	
Stock Option	\$ 10.365							01/01/2003 ⁽²⁾	12/31/2011	Common Stock	74,800	
Stock Option	\$ 7.885							01/01/2004 ⁽²⁾	12/31/2012	Common Stock	121,500	
Stock Option	\$ 5.14							10/14/2007	12/31/2011	Common Stock	50,000	
Stock Option	\$ 13.685							01/01/2005 ⁽²⁾	12/31/2011	Common Stock	61,000	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
DE LIMA ARMANDO ZAGALO 800 LONG RIDGE ROAD P. O. BOX 1600 STAMFORD, CT, CT 06904			Vice President	

Signatures

K.W. Fizer,
Attorney-In-Fact

10/13/2004

__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%, 33%, 34%, beginning in year shown.
- (2) Options vest over three years, 33.3% per year beginning in year shown.
- (3) Vesting of incentive stock rights.
- (4) Not Applicable

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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