

Pricing Supplement No. 1054 dated May 15, 2000  
(To Prospectus dated March 11, 1999 and  
Prospectus Supplement dated March 25, 1999)

XEROX CORPORATION  
Medium-Term Notes, Series F  
Due Nine Months or More From Date of Issue

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GENERAL

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Principal Amount: \$100,000,000  
Issue Price: See below under "Agent"  
Agent's Discount or Commission: None (see below under "Agent")  
Net proceeds to Company: \$100,000,000 (100% of Principal Amount)  
Original Issue Date (Settlement Date): May 18, 2000  
Maturity Date: May 17, 2002  
Agent: Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith  
Incorporated ("MLCO").

MLCO has purchased the Notes as principal in this transaction at 100% of the principal amount thereof for resale to one or more investors or other purchasers at varying prices related to prevailing market conditions at the time or times of resale as determined by MLCO.

Form: /X/ Book Entry        / / Certificated  
Specified Currency: U.S. dollars  
Authorized Denominations: \$1,000  
Integral Multiples in excess thereof: \$1,000

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INTEREST

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/X/ Floating Rate Note:

Base Rate: Federal Funds Rate

Initial Interest Rate: The interest rate applicable on the first Interest Reset Date shall be calculated in accordance with the provisions hereof, determined as of the first Business Day immediately preceding such Interest Reset Date.

Interest Payment Date(s): 17th day of August, November, February and May, commencing August 17, 2000; and at maturity.

The date on which interest is payable (on each Interest Payment Date and at Maturity) will be subject to adjustment in accordance with:  
/X/ the Following Business Day Convention.

Interest Reset Period: Daily

Interest Reset Date(s): Each Business Day

Spread (+/-): +0.32%

Calculation Agent (if other than Citibank, N.A.): Merrill Lynch  
Capital Services

The Floating Rate Period End Date will be subject to:  
/X/ adjustment in accordance with the Following Business Day  
Convention.

Other provisions:

The "Interest Determination Date" pertaining to an Interest Reset Date will be the first Business Day immediately preceding each Interest Reset Date.

Early redemption at Company's option:  
/X/ No / / Yes (see below)

Early repayment at Holder's option:  
/X/ No / / Yes (see below)

Option to extend Maturity Date:  
/X/ No / / Yes (see below)

Option to reset interest rate:  
/X/ No / / Yes

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ATTACHMENT

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None.