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# SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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## FORM 8-K

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### CURRENT REPORT

Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): June 28, 2006

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# XEROX CORPORATION

(Exact name of registrant as specified in its charter)

**New York**  
(State or other jurisdiction  
of incorporation)

**1-4471**  
(Commission File Number)

**16-0468020**  
(IRS Employer  
Identification No.)

**800 Long Ridge Road**  
**P. O. Box 1600**  
**Stamford, Connecticut 06904-1600**  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(203) 968-3000**

**Not Applicable**  
(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 8.01. Other Events.**

On June 28, 2006, Registrant announced that the patent infringement lawsuit that it filed against Palm, Inc. nine years ago has been settled. Attached as Exhibit 99.1 to this Report is a copy of Registrant's press release dated June 28, 2006 regarding the settlement.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Registrant's press release dated June 28, 2006

**Forward Looking Statements**

From time to time, we and our representatives may provide information, whether orally or in writing, including certain statements in this Current Report on Form 8-K and any exhibits to this Current Report, that are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Litigation Reform Act"). These forward-looking statements and other information are based on our beliefs as well as assumptions made by us using information currently available. In accordance with the provisions of the Litigation Reform Act, we are making investors aware that such forward-looking statements, because they relate to future events, are by their very nature subject to many important factors that could cause actual results to differ materially from those contemplated by the forward-looking statements contained in this Current Report on Form 8-K, any exhibits to this Current Report and other public statements we make. The words "anticipate," "believe," "estimate," "expect," "intend," "will," "should" and similar expressions, as they relate to us, are intended to identify forward-looking statements. Such statements reflect our current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected, intended or using other similar expressions. These factors include but are not limited to: the outcome of litigation and regulatory proceedings to which we may be a party; actions of competitors; changes and developments affecting our industry; quarterly or cyclical variations in financial results; development of new products and services; interest rates and cost of borrowing; our ability to maintain and improve cost efficiency of operations; changes in foreign currency exchange rates; changes in economic conditions, political conditions, trade protection measures, licensing requirements and tax matters in the foreign countries in which we do business; reliance on third parties for manufacturing of products and provision of services; and other risks that are set forth in the "Risk Factors" section, the "Legal Proceedings" section, the "Management's Discussion and Analysis of Results of Operations and Financial Condition" section and other sections of our Annual Report on Form 10-K for the fiscal year ended December 31, 2005 filed with the Securities and Exchange Commission. Additional information concerning these and other factors that could cause actual results to differ materially is included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2005 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2006 filed with the Securities and Exchange Commission. We do not intend to update these forward-looking statements, except as required by law.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, Registrant has duly authorized this Report to be signed on its behalf by the undersigned duly authorized.

Date: June 28, 2006

XEROX CORPORATION

By: /s/ **Gary R. Kabureck**

Gary R. Kabureck

Vice President and Chief Accounting Officer

**EXHIBIT INDEX**

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<b>Exhibit No.</b>	<b>Description</b>
99.1	Registrant's press release dated June 28, 2006



News from Xerox

Public Relations Office:

**FOR IMMEDIATE RELEASE**

800 Long Ridge Road  
Stamford, CT 06904  
203-968-4644

**XEROX SETTLES PATENT INFRINGEMENT CASE WITH PALM**

STAMFORD, Conn., June 28, 2006— Xerox Corporation (NYSE: XRX) and Palm, Inc. have settled the patent infringement lawsuit that Xerox filed nine years ago.

In April 1997, Xerox sued a predecessor to Palm, Inc., claiming that the handwriting-recognition technology marketed as Graffiti® and formerly used in Palm OS® handheld devices infringed a Xerox patent known as Unistrokes®, received on Jan. 21, 1997.

Xerox said that the settlement serves to avoid further costs and distractions from the protracted legal appeals.

Under the settlement, Palm will pay Xerox \$22.5 million, which includes licensing fees for Unistrokes and two other patents. The agreement also calls for “patent peace,” a seven-year mutual covenant not to sue within mutually agreed fields of use.

Net proceeds of the agreement will be substantially offset in Xerox’s second-quarter net income by costs related to the expected settlement of other legal matters.

Xerox is not updating or reaffirming its previously issued earnings guidance.

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**Media Contacts:**

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Bill McKee, Xerox Corporation, 585-423-4476, [bill.mckee@xerox.com](mailto:bill.mckee@xerox.com)

NOTE TO EDITORS: This release contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. These statements reflect management’s current beliefs and expectations, and are subject to a number of factors that may cause actual results to differ materially. These factors include but are not limited to the outcome of litigation and regulatory proceedings to which we may be a party; actions of competitors; changes and developments affecting our industry; quarterly or cyclical variations in financial results; development of new products and services; interest rates and cost of borrowing; our ability to maintain and improve cost efficiency of operations; changes in foreign currency exchange rates; changes in economic conditions, political conditions, trade protection measures, licensing requirements and tax matters in the foreign countries in which we do business; reliance on third

parties for manufacturing of products and provision of services; and other risks that are set forth in the “Risk Factors” section, the “Legal Proceedings” section, the “Management’s Discussion and Analysis of Results of Operations and Financial Condition” section and other sections of our 2005 Form 10-K and first-quarter 2006 Form 10-Q filed with the SEC. Additional information concerning these and other factors is included in the company’s 2005 Form 10-K and first-quarter 2006 Form 10-Q filed with the SEC. The company assumes no obligation to update any forward-looking statements as a result of new information or future events or developments, except as required by law.

For more information about Xerox, visit [www.xerox.com/news](http://www.xerox.com/news). XEROX® and Phase® are trademarks of XEROX CORPORATION.