

Registration No. 33-

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM S-3  
REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

Xerox Corporation  
(Exact name of registrant as specified in its charter)

New York 16-0468020  
(State or other jurisdiction (I.R.S. Employer Identification No.)  
of incorporation or organization)

800 Long Ridge Road  
P.O. Box 1600  
Stamford, Connecticut 06904-1600  
(203) 968-3000

(Address, including zip code, and telephone number, including  
area code, of registrant's principal executive offices)

Martin S. Wagner  
Assistant Secretary  
Xerox Corporation  
P.O. Box 1600  
Stamford, Connecticut 06904  
(203) 968-3000

(Address, including zip code, and telephone number, including  
area code, of agent for service)

Approximate date of commencement of proposed sale to the public: From  
time to time after the effective date of this Registration Statement.

If the only securities being registered on this Form are being offered  
pursuant to dividend or interest reinvestment plans, please check the  
following box. ( )

If any of the securities being registered on this Form are to be offered  
on a delayed or continuous basis pursuant to Rule 415 under the Securities Act  
of 1933, other than securities offered only in connection with dividend or  
interest reinvestment plans, please check the following box. (X)

(continued on next page)

(continued from previous page)

If this Form is filed to register additional securities for an offering  
pursuant to Rule 462(b) under the Securities Act, please check the following  
box and list the Securities Act registration statement number of the earlier  
effective registration statement for the same offering. ( )

If this Form is a post-effective amendment filed pursuant to Rule 462(c)  
under the Securities Act, check the following box and list the Securities Act  
registration statement number of the earlier effective registration statement  
for the same offering. ( )

If delivery of the prospectus is expected to be made pursuant to Rule  
434, please check the following box. ( )

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The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per share*	Proposed maximum aggregate offering price*	Amount of registration fee
Common Stock, \$1 par value per share	300,000 shares	\$127.00	\$38,100,000	\$13,138

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\* Estimated using the average of the high and low prices for Xerox Corporation Common Stock on the New York Stock Exchange on March 29, 1996 solely for purposes of determining the registration fee pursuant to Rule 457(h)(1) and Rule 457(c) under the Securities Act of 1933, as amended.

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STATEMENT PURSUANT TO RULE 429(b)

The prospectus contained in this Registration Statement is a combined prospectus which also covers securities of the registrant heretofore covered by Registration Statement No. 33-32215. This Registration Statement also constitutes Post-Effective Amendment No. 2 with respect to such Registration Statement No. 33-32215, and such Post-Effective Amendment shall hereafter become effective concurrently with the effectiveness of this Registration Statement in accordance with Section 8(c) of the Securities Act of 1933.

PROSPECTUS

XEROX CORPORATION

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300,000 Shares of Common Stock  
(par value \$1.00 par share)

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The shares of Common Stock, par value \$1.00 per share ("Common Stock"), of Xerox Corporation ("Xerox" or the "Company") offered hereby will be offered from time to time to Xerox Canada Inc. ("XCI") in transactions at a price equal to the market price of Common Stock on the New York Stock Exchange at the close of trading on the day of sale. The shares of Common Stock sold to XCI will be used by XCI to satisfy an exchange privilege under the terms of its Non-voting Exchangeable Class B Shares.

The last reported sale price of the Common Stock on the New York Stock Exchange on April 1, 1996 was \$129 3/8 per share.

Unless otherwise provided, all references herein to "U.S. dollars", "dollars", "U.S.\$" or "\$" are to the currency of the United States of America.

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THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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The date of this Prospectus is April , 1996.

#### AVAILABLE INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance herewith files reports and other information with the Securities and Exchange Commission (the "Commission"). Such reports and other information filed by the Company can be inspected and copied at the public reference facilities of the Commission at 450 Fifth Street, N.W. (Room 1024), Judiciary Plaza, Washington, D.C. 20549; as well as at the Regional Offices of the Commission located at Northwestern Atrium Center, 500 West Madison Street (Suite 1400), Chicago, Illinois 60661; and Seven World Trade Center (13th Floor), New York, New York 10048. Copies of such material can be obtained from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549 at prescribed rates. Such reports and other information concerning the Company also may be inspected at the offices of the New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005. This Prospectus does not contain all the information set forth in the Registration Statement and Exhibits thereto which the Company has filed with the Commission under the Securities Act of 1933 and to which reference is hereby made.

#### INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

There are incorporated herein by reference the following documents filed with the Commission (File No. 1-4471) by the Company pursuant to the Exchange Act:

(1) Annual Report on Form 10-K for the fiscal year ended December 31, 1995;

(2) Current Reports on Form 8-K dated January 18, 1996 and February 7, 1996;

(3) The description of Xerox' Shareholders Rights Plan and the Rights Agreement dated as of April 6, 1987, as amended and restated as of February 6, 1989, between Xerox and The Chase Manhattan Bank, N.A., as successor to Chase Lincoln First Bank, N.A. (as amended and restated, the "Rights Agreement"), which are contained in or filed as an exhibit to Amendment No. 1 on Form 8 filed with the Commission on February 6, 1989, amending the Registration Statement on Form 8-A dated April 6, 1987, relating to the Rights to Purchase Series A Cumulative Preferred Stock (the "Preferred Stock Purchase Rights"); and

(4) The description of Xerox Common Stock contained in Amendment No. 1 on Form 8 dated March 7, 1990, amending the Registration Statement on Form 8-A dated February 20, 1990, relating to Xerox Common Stock and Preferred Stock Purchase Rights.

All documents filed by the Company pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this Prospectus and

prior to the termination of the offering of the Common Stock offered hereby shall be deemed to be incorporated by reference into this Prospectus. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any subsequently filed document which also is

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or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

The Company will provide without charge to each person to whom this Prospectus is delivered, including any beneficial owner, upon written or oral request of such person, a copy of any or all of the foregoing documents incorporated herein by reference (other than exhibits to such documents, unless such exhibits are specifically incorporated by reference in such documents). Requests should be directed to the Customer Service Unit of State Street Bank and Trust Company, Two International Place, Boston, Massachusetts 02110, telephone: (617) 664-5750.

#### USE OF PROCEEDS

The net proceeds from the sale of the shares of Common Stock offered hereby will be added to the general funds of the Company and will be used for general corporate purposes. The amount of such net proceeds cannot be determined at this time, since it will depend upon the market price of the shares of Common Stock at the time the shares of Common Stock covered hereby are sold to XCI.

#### THE COMPANY

Xerox is a New York corporation with its principal executive offices located at 800 Long Ridge Road, Stamford, Connecticut 06904, telephone (203) 968-3000.

Xerox is The Document Company and a leader in the global document market, providing document services that enhance productivity. References herein to "Xerox" refer to Xerox and consolidated subsidiaries unless the context specifically requires otherwise. Xerox distributes its products in the Western Hemisphere through divisions and wholly-owned subsidiaries. In Europe, Africa, the Middle East and parts of Asia, Xerox distributes through Rank Xerox Limited and related companies ("Rank Xerox") in which Xerox has an 80 percent financial interest and The Rank Organisation Plc ("RO") has a 20 percent financial interest. In Japan and other areas of the Pacific Rim, Australia and New Zealand, Document Processing products are distributed by Fuji Xerox Co. Ltd., an unconsolidated joint venture, which is equally owned by Fuji Photo Film Company, Ltd. of Japan and Rank Xerox. On February 28, 1995, Xerox paid RO 620 million pounds sterling, or \$972 million, to increase Xerox' financial interest in Rank Xerox to 80 percent from 67 percent.

In January 1996, Xerox announced agreements to sell its remaining property and casualty insurance units to investor groups led by Kohlberg Kravis Roberts & Co. and existing management for consideration totaling \$2.7 billion. Xerox expects the transactions will close in the middle of 1996. As a result, results from insurance operations are now accounted for as discontinued operations and all prior periods have been restated. Therefore, the Document Processing business is the only component of Continuing Operations.

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Xerox' Document Processing activities encompass developing, manufacturing, marketing, servicing and financing a complete range of document processing products and services designed to make offices around the world more productive. Xerox believes that documents will play a central role in

business, government, education and other organizations far into the future and that efficient processing of documents offers significant opportunities for productivity improvements. The financing of Xerox equipment is generally carried out by Xerox Credit Corporation in the United States and internationally by foreign financing subsidiaries and divisions in most countries that Xerox operates. Document Processing operations employed 85,200 people worldwide at year-end 1995.

In 1993, Xerox announced a worldwide Document Processing restructuring program to significantly reduce the cost base and to improve productivity. Xerox' objectives were to reduce its worldwide work force by more than 10,000 employees and to close or consolidate a number of facilities. To date, the activities associated with the 1993 restructuring program have reduced employment by 12,000 and achieved pre-tax cost savings of approximately \$650 million in 1995 and \$350 million in 1994. However, Xerox has reinvested a portion of these savings to reengineer business processes, support the expansion in growth markets, and mitigate anticipated continuing pricing pressures.

RATIO OF EARNINGS TO FIXED CHARGES

The following table shows the ratio of earnings to fixed charges for the periods indicated.

Year ended December 31 (in millions)	1995	1994	1993*	1992	1991
Ratio of earnings to fixed charges (1)(2)	3.58	3.23	0.66	2.34	2.24

<FN>

(1) The ratio of earnings to fixed charges has been computed based on the Company's continuing operations by dividing total earnings available for fixed charges, excluding capitalized interest, by total fixed charges. Fixed charges consist of interest, including capitalized interest, and one-third of rent expense as representative of the interest portion of rentals. Debt has been assigned to discontinued operations based on historical levels assigned to the businesses when they were continuing operations adjusted for subsequent paydowns. The discontinued operations consist of the Company's Insurance and Other Financial Services businesses and its real-estate development and third-party financing businesses.

(2) The Company's ratio of earnings to fixed charges includes the effect of the Company's finance subsidiaries, which primarily finance Xerox equipment. Financing businesses are more highly leveraged and, therefore, tend to operate at lower earnings to fixed charges ratio levels than do non-financial businesses.

\* 1993 earnings were inadequate to cover fixed charges. The coverage deficiency was \$249 million.

</FN>

PLAN OF DISTRIBUTION

On November 15, 1989, the shareholders of XCI approved an amendment to the Articles of XCI whereby the conditions of its Common Shares would be amended and to redesignate such shares as Non-Voting Exchangeable Class B

Shares ("XCI Exchangeable Shares") and to entitle the holders thereof to elect to exchange such shares for shares of Xerox Common Stock at the exchange rate of three XCI Exchangeable Shares for one share of Xerox Common Stock, as adjusted for any subdivision, reduction, combination or consolidation thereof (the "Exchangeable Share Proposal").

The Xerox Board of Directors has authorized the proper officers of Xerox to from time to time issue and deliver to XCI, in connection with the Exchangeable Share Proposal, shares of Common Stock not to exceed a total of three million shares, as adjusted for any subdivision, reduction, combination, consolidation thereof, for a cash consideration equal to the then current market price, but not less than the par value of such shares. XCI may purchase such shares of Common Stock from Xerox to satisfy requests for exchange of XCI Exchangeable Shares for shares of Common Stock. This Prospectus relates to such shares of Common Stock.

#### LEGAL OPINION

The validity of the shares of Common Stock to be offered hereby will be passed upon for the Company by Martin S. Wagner, Esq., Associate General Counsel, Corporate, Finance and Ventures of the Company.

#### EXPERTS

The consolidated financial statements and schedule of the Company and consolidated subsidiaries included in the Company's Annual Report on Form 10-K as of December 31, 1995 and 1994, and for each of the years in the three-year period ended December 31, 1995, incorporated by reference herein and elsewhere in the Registration Statement, have been incorporated by reference herein and in the Registration Statement in reliance upon the report set forth therein of KPMG Peat Marwick LLP, independent certified public accountants, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing.

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No dealer, salesman or any other person has been authorized to give any information or to make any representations, other than those contained in this Prospectus, in connection with the offer contained in this Prospectus, and, if given or made, such information or representations must not be relied upon as having been authorized by the Company or any of its agents. Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date hereof or that the information contained herein is correct as of any time subsequent to its date. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

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300,000 Shares

Common Stock  
(par value \$1.00 per share)

PART II

INFORMATION NOT REQUIRED IN THE PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution.\*

The following statement sets forth the expenses to be borne by the Company in connection with the distribution of the shares of Common Stock offered hereby:

Securities and Exchange Commission Registration Fee ....	\$13,138
Fees of Company's Independent Auditors .....	2,500
Blue Sky Fees and Expenses (including legal fees and disbursements) .....	5,000
Listing Fees .....	1,500
	-----
Total .....	\$22,138
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\* The foregoing expenses, other than the Securities and Exchange Commission Registration Fee, are estimated.

Item 15. Indemnification of Directors and Officers.

Article VIII, Section 2 of the Company's By-Laws states:

"Indemnification of Directors and Officers: Except to the extent expressly prohibited by law, the Company shall indemnify any person, made or threatened to be made, a party in any civil or criminal action or proceeding, including an action or proceeding by or in the right of the Company to procure a judgment in its favor or by or in the right of any other corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan or other enterprise, which any Director or officer of the Company served in any capacity at the request of the Company, by reason of the fact that he, his testator or intestate is or was a Director or officer of the Company or serves or served such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, in any capacity, against judgments, fines, penalties, amounts paid in settlement and reasonable expenses, including attorneys' fees, incurred in connection with such action or proceeding, or any appeal therein, provided that no such indemnification shall be required with respect to any settlement unless the Company shall have given its prior approval thereto. Such indemnification shall include the right to be paid advances of any expenses incurred by such person in connection with such action, suit or proceeding, consistent with the provisions of applicable law. In addition to the foregoing, the Company is authorized to extend rights to indemnification and advancement of expenses to such persons by i) resolution of the shareholders, ii) resolution of the Directors or iii) an agreement, to the extent not expressly prohibited by law."

Reference is made to Sections 721 through 726 of the Business Corporation Law of the State of New York.

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Item 16. Exhibits.

(4) (a) Restated Certificate of Incorporation of the Company filed by the Department of State of New York on June 10, 1988 (incorporated by reference to Exhibit 3(a) to the Company's Quarterly Report on Form 10-Q for the Quarter

Ended June 30, 1988).

(b) Certificate of Amendment dated July 7, 1989 to the Restated Certificate of Incorporation (incorporated by reference to Exhibit 3(a) to the Company's Quarterly Report on Form 10-Q for the Quarter Ended June 30, 1989).

(c) Certificate of Amendment dated October 10, 1994 to the Restated Certificate of Incorporation (incorporated by reference to Exhibit 3(a)(3) to the Company's Annual Report on Form 10-K for the Year Ended December 31, 1994).

(d) Certificate of Amendment dated October 19, 1995 to the Restated Certificate of Incorporation (incorporated by reference to Exhibit 3(a)(4) to the Company's Annual Report on Form 10-K for the Year Ended December 31, 1995).

(e) By-Laws of the Company, as amended through May 29, 1991 incorporated by reference to Exhibit 3(b)(2) to the Company's Quarterly Report on Form 10-Q for the Quarter Ended June 30, 1991).

(5) Opinion of Martin S. Wagner, Esq., as to legality of the Common Stock.

(12) Computation of ratio of earnings to fixed charges.

(23)(a) Consent of Independent Auditors (see page II-5).

(b) Consent of Martin S. Wagner, Esq. (see Exhibit 5).

(24)(a) Certified Resolution.

(b) Power of Attorney.

(28) Schedule P of Annual Statements to State Regulatory Authorities (incorporated by reference to Exhibit 29 on Form SE of the Company dated March 26, 1996).

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### Item 17. Undertakings.

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales of the securities registered hereby are being made, a post-effective amendment to this registration statement (i) to include any prospectus required by section 10(a)(3) of the Securities Act of 1933 (the "Act"); (ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement; and (iii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement; provided, however, that paragraphs (i) and (ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the Company pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in this registration statement.

(2) That, for the purpose of determining any liability under the Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination



of the offering.

(4) That, for purposes of determining any liability under the Act, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification for liabilities arising under the Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described under Item 15 above, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Stamford, State of Connecticut, on the 3rd day of April, 1996.

XEROX CORPORATION (Registrant)

By: /s/ PAUL A. ALLAIRE\*

-----  
Paul A. Allaire  
Chairman of the Board and  
Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities indicated as of April 3, 1996.

(Signature) (Title)

Principal Executive Officer:  
PAUL A. ALLAIRE\* Chairman of the Board, Board, Chief  
Executive Officer and Director

Principal Financial Officer:  
BARRY D. ROMERIL\* Executive Vice President and  
Chief Financial Officer

Principal Accounting Officer:  
PHILLIP D. FISHBACH\* Vice President and Controller

Directors:  
ROBERT A. BECK )  
B. R. INMAN )  
YOTARO KOBAYASHI )  
RALPH S. LARSEN )  
JOHN D. MACOMBER ) \*

GEORGE J. MITCHELL )  
N. J. NICHOLAS, JR. )  
JOHN E. PEPPER )  
MARTHA R. SEGER )  
THOMAS C. THEOBALD )

\*By: /s/ MARTIN S. WAGNER  
-----  
Martin S. Wagner  
Attorney-in-Fact

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CONSENT OF INDEPENDENT AUDITORS

The Board of Directors  
Xerox Corporation:

We consent to the use of our reports incorporated herein by reference and to the reference to our firm under the heading "Experts" in the prospectus.

KPMG PEAT MARWICK LLP

Stamford, Connecticut  
March 28, 1996

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EXHIBIT INDEX

(4) (a) Restated Certificate of Incorporation of the Company filed by the Department of State of New York on June 10, 1988 (incorporated by reference to Exhibit 3(a) to the Company's Quarterly Report on Form 10-Q for the Quarter Ended June 30, 1988).

(b) Certificate of Amendment dated July 7, 1989 to the Restated Certificate of Incorporation (incorporated by reference to Exhibit 3(a) to the Company's Quarterly Report on Form 10-Q for the Quarter Ended June 30, 1989).

(c) Certificate of Amendment dated October 10, 1994 to the Restated Certificate of Incorporation (incorporated by reference to Exhibit 3(a)(3) to the Company's Annual Report on Form 10-K for the Year Ended December 31, 1994).

(d) Certificate of Amendment dated October 19, 1995 to the Restated Certificate of Incorporation (incorporated by reference to Exhibit 3(a)(4) to the Company's Annual Report on Form 10-K for the Year Ended December 31, 1995).

(e) By-Laws of the Company, as amended through May 29, 1991 incorporated by reference to Exhibit 3(b)(2) to the Company's Quarterly Report on Form 10-Q for the Quarter Ended June 30, 1991).

(5) Opinion of Martin S. Wagner, Esq., as to legality of the Common Stock.

(12) Computation of ratio of earnings to fixed charges.

(23) (a) Consent of Independent Auditors (see page II-5).

(b) Consent of Martin S. Wagner, Esq. (see Exhibit 5).

(24) (a) Certified Resolution.

(b) Power of Attorney.

(28) Schedule P of Annual Statements to State Regulatory Authorities

(incorporated by reference to Exhibit 29 on Form SE of the Company dated March 26, 1996).

Xerox Corporation  
P.O. Box 1600  
Stamford, Connecticut 06904  
203-968-3000

Office of General Counsel

Martin S. Wagner  
Associate General Counsel,  
Corporate, Finance and Ventures

Direct Dial (203) 968-3457  
Fax (203) 968-3446

April 3, 1996

Re: Xerox Corporation  
Form S-3 Registration Statement  
Registration of up to 300,000 shares of Common Stock

Gentlemen:

As Associate General Counsel, Corporate, Finance and Ventures of Xerox Corporation, a New York corporation (the "Company"), I am familiar with the filing of this Form S-3 Registration Statement ("Registration Statement") by the Company relating to the registration under the Securities Act of 1933, as amended (the "Act"), of up to 300,000 shares (the "Shares") of Common Stock, par value \$1 per share ("Common Stock"), of the Company.

The Shares may be offered and sold by the Company from time to time at then current market prices to the Company's majority-owned subsidiary, Xerox Canada Inc., a Canadian corporation ("XCI"), to fulfill XCI's obligations to deliver such Shares upon the exchange of Non-Voting Exchangeable Class B Shares of XCI ("XCI Exchangeable Shares") by the holders thereof for shares of Common Stock.

In rendering the opinions set forth herein, either I or other lawyers in the Office of General Counsel of the Company who report either directly or indirectly to me have examined (i) the Registration Statement, (ii) the Agreement dated as of February 14, 1990, as amended by the Amending Agreement dated as of January 1, 1996, between the Company and XCI, pursuant to which the Shares may be issued and sold by the Company to XCI, (iii) the Company's Restated Certificate of Incorporation and By-Laws, each as amended to date, (iv) certain minutes of meetings of the Board of Directors of the Company and (v) such other documents and matters of law as have been considered necessary or desirable in rendering the opinions set forth herein.

Based upon the foregoing, it is my opinion that:

1. The Company has been duly incorporated and is validly existing in good standing under the laws of the State of New York.
2. The Shares, when duly executed, countersigned and delivered as contemplated by the Registration Statement and the prospectus contained therein, will be validly issued, fully paid and nonassessable, with no personal liability attaching to the holders thereof under the laws of the State of New York.

I consent to the reference to my name under the caption "Legal Opinion" in the prospectus contained in the Registration Statement and to the filing of this letter as an exhibit to the Registration Statement.

Very truly yours,

/s/ MARTIN S. WAGNER

Martin S. Wagner  
Associate General Counsel,  
Corporate, Finance and Ventures

## COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

Year ended December 31 (in millions)	1995	1994	1993*	1992	1991
<b>Fixed Charges:</b>					
Interest expense	\$ 591	\$ 520	\$ 540	\$ 627	\$ 596
Rental expense	142	170	180	187	178
<hr/>					
Total fixed charges before capitalized interest	733	690	720	814	774
Capitalized interest	-	2	5	17	3
<hr/>					
Total fixed charges	\$ 733	\$ 692	\$ 725	\$ 831	\$ 777
<hr/>					
<b>Earnings available for fixed charges:</b>					
Earnings**	\$1,979	\$1,602	\$ (193)	\$1,183	\$1,035
Less undistributed income in minority owned companies	(90)	(54)	(51)	(52)	(70)
Add fixed charges before capitalized interest	733	690	720	814	774
<hr/>					
Total earnings available for fixed charges	\$2,622	\$2,238	\$ 476	\$1,945	\$1,739
<hr/>					
Ratio of earnings to fixed charges (1) (2)	3.58	3.23	0.66	2.34	2.24

(1) The ratio of earnings to fixed charges has been computed based on the Company's continuing operations by dividing total earnings available for fixed charges, excluding capitalized interest, by total fixed charges. Fixed charges consist of interest, including capitalized interest, and one-third of rent expense as representative of the interest portion of rentals. Debt has been assigned to discontinued operations based on historical levels assigned to the businesses when they were continuing operations adjusted for subsequent paydowns. The discontinued operations consist of the Company's Insurance and Other Financial Services businesses and its real-estate development and third-party financing businesses.

(2) The Company's ratio of earnings to fixed charges includes the effect of the Company's finance subsidiaries, which primarily finance Xerox equipment. Financing businesses are more highly leveraged and, therefore, tend to operate at lower earnings to fixed charges ratio levels than do non-financial businesses.

\* 1993 earnings were inadequate to cover fixed charges. The coverage deficiency was \$249 million.

\*\* Sum of "Income (Loss) before Income Taxes, Equity Income and Minorities' Interests" and "Equity in Net Income of Unconsolidated Affiliates."

CERTIFICATE

I, Martin S. Wagner, Assistant Secretary of Xerox Corporation, a New York corporation (the "Company"), DO HEREBY CERTIFY that Exhibit A is a true and correct copy of a resolution adopted at a meeting of the Board of Directors of the Company duly held and convened on October 9, 1995, and that such resolution has not been modified, rescinded or revoked and is at present in full force and effect.

IN WITNESS WHEREOF, the undersigned has executed this Certificate and affixed the corporate seal of the Company hereto this 3rd day of April, 1996.

/s/ MARTIN S. WAGNER

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Martin S. Wagner  
Assistant Secretary

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Exhibit A

RESOLVED: that each officer and director of the Company who may be required to execute the Registration Statements or any amendment thereof (whether on behalf of the Company or as an officer or director thereof) be and hereby is authorized to execute a power of attorney appointing E. M. Filter, M. S. Wagner and G. R. Roth and each of them, as true and lawful attorneys and agents to execute in his name, place and stead (in any such capacity) the Registration Statements and any and all amendments thereto, and any and all documents in connection therewith, and to file the same in electronic or paper form with the Securities and Exchange Commission, each of said attorneys and agents to have the power to act with or without the other and to have the full power and authority to do and perform in the name and on behalf of each of said officers and directors, or both, as the case may be, every act whatsoever necessary or advisable to be done in the premises as fully and to all intents and purposes as any such officer or director could do in person.

POWER OF ATTORNEY

Xerox Corporation (the "Company") and each person whose signature appears below authorize each of Eunice M. Filter, Martin S. Wagner and George R. Roth (each an "appointee") to file, either in paper or electronic form, one or more registration statements and amendments thereto (including post-effective amendments), under the Securities Act of 1933, as amended, for the purpose of registering the offering and sale of shares of Common Stock, \$1 par value, of the Company ("Common Stock") reserved for issuance upon the exchange of XCI's Non-Voting Exchangeable Class B Shares for shares of Common Stock, which registration statements and amendments shall contain such information and exhibits as any such appointee deems appropriate. Each such person hereby appoints each appointee as attorney-in-fact, with full power to act alone, to execute any such registration statements and any and all amendments thereto and any and all other documents in connection therewith, in the name of and on behalf of the Company and each such person, individually and in each capacity stated below, including the power to enter electronically such company identification numbers, passwords and personal identification numbers as may be required to effect such filing as prescribed under the rules and regulations of the Securities and Exchange Commission (the "SEC"), and to file, either in paper or electronic form, with the SEC a form of this Power of Attorney. Each such person individually and in such capacities stated below hereby grants to said attorneys-in-fact, and each of them, full power and authority to do and perform each and every act and thing whatsoever that said attorney or attorneys may deem necessary or advisable to carry out fully the intent of the foregoing as the undersigned could do personally or in the capacities as aforesaid.

XEROX CORPORATION

Dated as of February 1, 1996 By: /s/ Paul A. Allaire  
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Paul A. Allaire  
Chairman of the Board and  
Chief Executive Officer

/s/ Paul A. Allaire Chairman of the Board, Chief Executive Officer  
----- and Director (Principal Executive Officer)  
(Paul A. Allaire)

/s/ Barry D. Romeril Executive Vice President and Chief Financial  
----- Officer (Principal Financial Officer)  
(Barry D. Romeril)

/s/ Philip D. Fishbach Vice President and Controller  
----- (Principal Accounting Officer)  
(Philip D. Fishbach)

/s/ Robert A. Beck Director  
-----  
(Robert A. Beck)

/s/ B. R. Inman Director  
-----  
(B. R. Inman)

/s/ Yotaro Kobayashi Director  
-----  
(Yotaro Kobayashi)

/s/ Ralph S. Larsen Director  
-----  
(Ralph S. Larsen)



/s/ John D. Macomber            Director  
-----  
(John D. Macomber)

/s/ George J. Mitchell         Director  
-----  
(George J. Mitchell)

/s/ N. J. Nicholas, Jr.        Director  
-----  
(N. J. Nicholas, Jr.)

/s/ John E. Pepper             Director  
-----  
(John E. Pepper)

/s/ Martha R. Seger            Director  
-----  
(Martha R. Seger)

/s/ Thomas C. Theobald        Director  
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(Thomas C. Theobald)