

Xylem Inc.
Form 4
January 17, 2014

FORM 4

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

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).

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
LORANGER STEVEN R

(Last) (First) (Middle)

**1 INTERNATIONAL DRIVE, C/O
XYLEM INC.**

(Street)

RYE BROOK, NY 10573

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
Xylem Inc. [XYL]

3. Date of Earliest Transaction
(Month/Day/Year)
01/15/2014

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

Chief Executive Officer and Pr

6. Individual or Joint/Group Filing(Check Applicable Line)

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 | 01/15/2014 | | M | 89,235 (1) A \$ 32.5558 | 92,486 | D | |
| Common Stock | 01/15/2014 | | S | 89,235 (1) D \$ 36.0772 (2) | 3,251 | D | |
| Common Stock | | | | | 173,667 (3) | I | By Steven R. Loranger Revocable Trust |
| | | | | | 50,551 | I | |

Common
Stock

By Betsy
Palmer
Loranger
Revocable
Trust

Common
Stock

600 I

By Donald
Loranger
Revocable
Trust

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

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(9-02)

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. Amount or Number of Shares |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|-------------------------------|
| Stock Option (Right to Buy) | \$ 32.5558 | 01/15/2014 | | M | 89,235 | ⁽⁴⁾ 03/07/2014 | Common Stock | 89,235 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|-------------------------------------------------------------------------------------|---------------|-----------|--------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| LORANGER STEVEN R 1 INTERNATIONAL DRIVE C/O XYLEM INC. RYE BROOK, NY 10573 | X | | Chief Executive Officer and Pr | |

Signatures

/s/ Hannah Skeete, Securities Counsel of Xylem Inc., by power of attorney for Steven R. Loranger

01/17/2014

__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) The exercise and sale was made under a 10b5-1 plan previously adopted by the reporting person.
This price represents the approximate weighted average price per share of common stock (each, a "Share") of Xylem Inc. (the "Issuer"), of sales that were executed at prices ranging from 36.00 to 36.2500 per Share. The Reporting Person undertakes to provide, upon request
- (2) by the Securities and Exchange Commission staff, the Issuer or a security holder of the Issuer, full information regarding the number of Shares sold at each price.
- (3) 30,201 shares previously reported as directly held, were transferred to the Steven R. Loranger Revocable Trust in a transaction exempt from reporting under Rule 16a-13.
- (4) These options are fully vested and exercisable.

Remarks:

Please see attached POA

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.