

LORANGER STEVEN R  
Form 4  
September 11, 2012

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

OMB APPROVAL

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**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)

1133 WESTCHESTER AVENUE, C/O XYLEM INC.

(Street)

WHITE PLAINS, NY 10604

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)  
09/07/2012

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)

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 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 or Price (A) or (D)			
Common Stock	09/07/2012		M <sup>(1)</sup>		25,000	A	\$ 23.3095 176,144	D
Common Stock	09/07/2012		S <sup>(1)</sup>		24,500 <sup>(1)</sup>	D	\$ 25.0137 <sup>(2)</sup> 151,644	D
Common Stock	09/10/2012		M <sup>(1)</sup>		50,000	A	\$ 23.3095 201,644	D
Common Stock	09/10/2012		S <sup>(1)</sup>		48,750 <sup>(1)</sup>	D	\$ 24.8189 <sup>(3)</sup> 152,894	D
	09/11/2012		M <sup>(1)</sup>		50,000	A	202,894	D

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Common Stock					\$ 23.3095			
Common Stock	09/11/2012	S <sup>(1)</sup>	48,600 <sup>(1)</sup>	D	\$ 25.103 <sup>(4)</sup>	154,294	D	
Common Stock						307.88 <sup>(5)</sup>	I	By 401(k)plan
Common Stock						14,973	I	By Steven R. Loranger Revocable Trust
Common Stock						50,551	I	By Betsy Palmer 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	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (Right to Buy)	\$ 23.3095	09/07/2012		M	25,000	<sup>(6)</sup> 10/31/2012	Common Stock	25,000	
Stock Option (Right to Buy)	\$ 23.3095	09/10/2012		M	50,000	<sup>(6)</sup> 10/31/2012	Common Stock	50,000	
Stock Option	\$ 23.3095	09/11/2012		M	50,000	<sup>(6)</sup> 10/31/2012	Common Stock	50,000	

(Right to Buy)

## Reporting Owners

Reporting Owner Name / Address	Relationships
	Director   10% Owner   Officer   Other
LORANGER STEVEN R 1133 WESTCHESTER AVENUE C/O XYLEM INC. WHITE PLAINS, NY 10604	X

## Signatures

/s/ Rina E. Teran, Assistant Corporate Secretary of Xylem Inc., by power of attorney for Steven R. Loranger

09/11/2012

\_\_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 reporting person exercised options due to expire on October 31, 2012 and subsequently sold only enough shares to cover the cost of the exercise and taxes and is retaining the remaining shares acquired upon exercise.  
  
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 24.89 to 25.10 per Share. The Reporting Person undertakes to provide, upon request 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.
  - (2) 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 24.64 to 24.95 per Share. The Reporting Person undertakes to provide, upon request 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) 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 24.97 to 25.3904 per Share. The Reporting Person undertakes to provide, upon request 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.
  - (4) As of September 10, 2012
  - (5) These options are fully vested and exercisable.

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.