

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

1. Name and Address of Reporting Person* <u>Speetzen Michael T</u>  (Last) (First) (Middle) <u>C/O XYLEM INC.</u> <u>1 INTERNATIONAL DRIVE</u>  (Street) <u>RYE BROOK NY 10573</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>Xylem Inc. [ XYL ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)  Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Chief Financial Officer &amp; SVP</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>02/21/2014</u>	

**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	02/21/2014		M		9,073	A	\$32.3818	90,293	D	
Common Stock	02/21/2014		S		9,073	D	\$38.8675 <sup>(1)</sup>	81,220	D	
Common Stock	02/21/2014		M		20,000	A	\$24.6	101,220	D	
Common Stock	02/21/2014		S		20,000	D	\$38.8675 <sup>(1)</sup>	81,220	D	
Common Stock	02/21/2014		M		12,709	A	\$30.0295	93,929	D	
Common Stock	02/21/2014		S		12,709	D	\$38.8675 <sup>(1)</sup>	81,220	D	
Common Stock	02/21/2014		M		8,772	A	\$18.633	89,992	D	
Common Stock	02/21/2014		S		8,772	D	\$38.8675 <sup>(1)</sup>	81,220	D	
Common Stock	02/21/2014		S		10,772	D	\$38.8676 <sup>(1)</sup>	70,448	D	

**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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Stock Option (Right to Buy)	\$32.3818	02/21/2014		M			9,073	(2)	03/03/2021	common stock	9,073	\$0.00	4,535	D	
Stock Option (Right to Buy)	\$24.6	02/21/2014		M			20,000	(3)	11/07/2021	common stock	20,000	\$0.00	47,431	D	
Stock Option (Right to Buy)	\$30.0295	02/21/2014		M			12,709	(4)	03/05/2020	common stock	12,709	\$0.00	0	D	
Stock Option (Right to Buy)	\$18.633	02/21/2014		M			8,772	(4)	03/05/2015	common stock	8,772	\$0.00	0	D	

**Explanation of Responses:**

- 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 \$38.72 to \$39.01 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.
- The original grant of 13,608 options vests in three equal installments. The remaining 4535 will vest on March 3, 2014
- The original grant of 67,431 options vest in three equal installments. As of the date hereof, 24,954 options are fully vested and exercisable and the remaining 22,477 will vest on November 7, 2014.
- These options are fully vested and exercisable.

**Remarks:**

/s/ Hannah Skeete, Securities  
Counsel of Xylem Inc. by  
power of attorney for Michael  
T. Speetzen      02/24/2014

\*\* Signature of Reporting Person      Date

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

\* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.**