FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

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

| OMB APPROVAL | | | | | | | | |
|--------------------------|----------------------|--|--|--|--|--|--|--|
| OMB Number: | 3235-0287 | | | | | | | |
| Expires: | December 31, 2014 | | | | | | | |
| Estimated average burden | | | | | | | | |
| hours per response | 0.5 | | | | | | | |

| 1. Name and Address of Reporting Person* Sabol Colin R | | | 2. Issuer Name and Ticker or Trading Symbol Xylem Inc. [XYL] | 5. Relationship of Reporting Person(s) to Issuer | | | | |
|--|----------------------|------------------------|---|--|--|--|--|--|
| XYLEM INC | (First) FCHESTER AV | (Middle) /ENUE, C/O | 3. Date of Earliest Transaction (Month/Day/Year) 11/07/2011 | (Check all applicable) Director 10% Owner Officer (give title below) below) SVP & Chief Strategy Officer | | | | |
| (Street) WHITE PLAINS (City) | NY (State) | 10604 (Zip) | 4. If Amendment, Date of Original Filed (Month/Day/Year) | 6. Individual or Joint/Group Filing (Check Applicable Line) X 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. Transac Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | | 5. Amount of Securities Beneficially Owned | 6. Ownership Form: Direct (D) | 7. Nature of Indirect Beneficial Ownership | |
| | | | Code | V | Amount | (A) | | Following or Indired (I) Transaction(s) (Instr. 4) (Instr. 3 and 4) | | (Instr. 4) | |
| Common Stock | 11/07/2011 | | Α | | 13,720 (1) | Α | \$ 0 | 28,534 | D | | |
| Common Stock | 11/07/2011 | | Α | | 5,271 (2) | Α | \$ 0 | 33,805 | 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. Transac Code (Instr. 8) | Derivative | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | n Amount of Underlying | | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) | |
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |
| Employee Stock Option (Right to Buy) | \$ 24.6 | 11/07/2011 | | A | | 40,712 | | (3) | 11/07/2021 | Common Stock | 40,712 | \$ 0 | 40,712 | D | |

Explanation of Responses:

- 1. Reflects an award of restricted stock units ("RSUs"), which are scheduled to vest on November 7, 2014.
- 2. Reflects the conversion of the unvested portions of cash-settled total shareholder return ("TSR") awards previously granted by ITT Corporation into RSUs of Xylem Inc. in connection with the spin-off of Xylem Inc. from ITT Corporation. 1,845 RSUs were awarded in respect of 2010 TSR awards and will vest on December 31, 2012. 3,426 RSUs were awarded in respect of 2011 TSR awards and will vest on December 31, 2013.
- 3. These options vest in three equal annual installments beginning on November 7, 2012.

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

** 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.