| SEC Form 4 | |
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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). |
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| Instruction 1(b). |

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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 | | | | | | | |
|-------------------------|-----------|--|--|--|--|--|--|
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| Estimated average burde | en | | | | | | |
| hours per response: | 0.5 | | | | | | |

| 1. Name and Ad | dress of Reporting | Person* | 2. Issuer Name and Ticker or Trading Symbol Xylem Inc. [XYL] | | ationship of Reporting Po k all applicable) Director | erson(s) to Issuer 10% Owner |
|-----------------------------|--------------------|---------|---|---|---|---------------------------------|
| (Last) C/O XYLEM | (First) (Middle) | | 3. Date of Earliest Transaction (Month/Day/Year) 12/31/2012 | X | Officer (give title below) SVP & Chief Corr | Other (specify below) |
| (Street) WHITE PLAINS | NY | 10604 | 4. If Amendment, Date of Original Filed (Month/Day/Yea | | vidual or Joint/Group Fili Form filed by One Re Form filed by More th Person | eporting Person |
| (City) | (State) | (Zip) | | | | |

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. Transa Code (8) | | | | | Securities Beneficially | Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership |
|---------------------------------|--|---|------------------------------|---|---------------------------|---------------|--------|------------------------------------|---|---|
| | | | Code | v | Amount | (A) or (D) | Price | Transaction(s) (Instr. 3 and 4) | | (Instr. 4) |
| Common Stock | 12/31/2012 | | F | | 903 ⁽¹⁾ | D | \$27.1 | 55,991 | D | |

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| | | | (571 | , | , | | | • • | | | | | | | |
|---|---|--|---|------------------------------|---|--|--|--|--------------------|--|---|---|--|--|--|
| 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. Transa Code (8) | | 5. Nu of Deriv Secu Acqu (A) or Dispo of (D) (Instr and 5 | rative rities ired r osed) . 3, 4 | 6. Date Exerc Expiration Da (Month/Day/) | ate | 7. Title Amouri Securi Underl Deriva Securi and 4) | nt of ties ying tive ty (Instr. 3 | 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 | Amount or Number of Shares | | | | |

Explanation of Responses:

1. Reflects the withholding of shares of Common Stock to pay the tax liability incident to the vesting of restricted stock units awarded on November 7, 2011 under the Xylem 2011 Omnibus Incentive Plan. Equity awards previously granted by ITT Corporation were converted into restricted stock units of Xylem Inc. in connection with the spin-off of Xylem Inc. from ITT Corporation on October 31, 2011.

Remarks:

<u>/s/ Rina E. Teran, Assistant</u> <u>Corporate Secretary of Xylem</u> <u>Inc., by power of attorney for</u> <u>Angela A. Buonocore</u>

** 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.