

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

| | | |
|---|---|--|
| 1. Name and Address of Reporting Person * Sabol Colin 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] | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner X Officer (give title below) Other (specify below) SVP & Chief Strategy Officer |
| | 3. Date of Earliest Transaction (Month/Day/Year) 11/01/2011 | |
| | 4. If Amendment, Date of Original Filed (Month/Day/Year) | |

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 | 11/01/2011 | | A | | 7,760 | A | \$ 0 | 14,814 ⁽¹⁾ | 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 Underlying Securities (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 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) | \$ 28.02 | 11/01/2011 | | A | | 10,981 | | (2) | 09/26/2013 | Common Stock | 10,981 | \$ 0 | 10,981 | D | |
| Employee Stock Option (Right to Buy) | \$ 32.56 | 11/01/2011 | | A | | 9,004 | | (2) | 03/07/2014 | Common Stock | 9,004 | \$ 0 | 9,004 | D | |
| Employee Stock Option (Right to Buy) | \$ 29.81 | 11/01/2011 | | A | | 10,687 | | (2) | 03/10/2015 | Common Stock | 10,687 | \$ 0 | 10,687 | D | |
| Employee Stock Option (Right to Buy) | \$ 18.63 | 11/01/2011 | | A | | 19,148 | | (3) | 03/05/2016 | Common Stock | 19,148 | \$ 0 | 19,148 | D | |
| Employee Stock Option (Right to Buy) | \$ 30.03 | 11/01/2011 | | A | | 14,828 | | (4) | 03/05/2020 | Common Stock | 14,828 | \$ 0 | 14,828 | D | |
| Employee Stock Option (Right to Buy) | \$ 32.38 | 11/01/2011 | | A | | 14,437 | | (5) | 03/03/2021 | Common Stock | 14,437 | \$ 0 | 14,437 | D | |

Explanation of Responses:

1. The total amount of securities beneficially owned following the reported transactions includes securities that were received in connection with the spin-off of Xylem Inc. from ITT Corporation in a transaction that was exempt from reporting under Rule 16a-9 under the Securities Exchange Act of 1934.
2. These options are fully vested and exercisable.
3. 12,766 options are vested and exercisable and the remainder will vest on March 5, 2012.
4. 4,942 options are vested and exercisable and the remainder will vest in two equal annual installments beginning on March 5, 2012.
5. These options vest in three equal annual installments beginning on March 3, 2012.

Remarks:

Securities reported herein as having been acquired were equity awards formerly granted by ITT Corporation converted into equity awards of Xylem Inc. in connection with the spin-off of Xylem Inc. from ITT Corporation.

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

11/03/2011

** 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.

POWER OF ATTORNEY

The undersigned, Colin R. Sabol, does hereby nominate, constitute and appoint Frank R. Jimenez and Rina E. Teran in their true and lawful attorney and agent to do any and all acts and things and execute and file any and all instruments which said attorneys and agents may deem necessary or advisable to enable the undersigned (in his individual capacity or in any other capacity) to comply with the Securities Exchange Act of 1934 (the "34 Act") and the Securities Act of 1933 (the "33 Act") and any requirements of the Securities and Exchange Commission (the "SEC") in respect thereof, in connection with the preparation, execution and/or filing of (i) any report or statement of beneficial ownership or changes in beneficial ownership of securities of Xylem Inc., an Indiana corporation (the "Company"), that the undersigned (in his individual capacity or in any other capacity) may be required to file pursuant to Section 16(a) of the 34 Act, including any report or statement on Form 3, Form 4 or Form 5, or to any amendment thereto, (ii) any report or notice required under Rule 144 of the 33 Act, including Form 144, or any amendment thereto, and (iii) any and all other documents or instruments that may be necessary or desirable in connection with or in furtherance of any of the foregoing, including Form ID, or any amendments thereto, and any other documents necessary or appropriate to obtain codes and passwords enabling the undersigned to make electronic filings with the SEC of reports required pursuant to Section 16(a) of the 34 Act or any rule or regulation of the SEC, such power and authority to extend to any form or forms adopted by the SEC in lieu of or in addition to any of the foregoing and to include full power and authority to sign the undersigned's name in his individual capacity or otherwise, hereby ratifying and confirming all that said attorneys and agents, or any of them, shall do or cause to be done by virtue thereof.

This authorization shall supersede all prior authorizations to act for the undersigned with respect to securities of the Company in such matters, which prior authorizations are hereby revoked, and shall remain in effect until revoked by the undersigned in a signed writing delivered to the foregoing attorneys in fact.

IN WITNESS WHEREOF, I have hereunto set my hand this 28th day of September, 2011.

/s/ Colin R. Sabol