

LORANGER STEVEN R  
 Form 4  
 May 03, 2012

**FORM 4**

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

OMB APPROVAL

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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 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)  
**05/01/2012**

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 (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)
Common Stock	05/01/2012		F <sup>(1)</sup>	72,246 D	\$ 27.95 147,701 <sup>(3)</sup>	D	
Common Stock	05/01/2012		X <sup>(4)</sup>	7.86 A	\$ 27.66 147,708.86	D	
Common Stock	05/01/2012		J <sup>(4)</sup>	7.86 D	\$ 27.66 147,701	D	
Common Stock					14,973 <sup>(6)</sup>	I	By Steven R. Loranger

Common Stock		50,551	I	Revocable Trust By Betsy Palmer Loranger Revocable Trust
Common Stock		304.65 <sup>(7)</sup>	I	By 401(k) plan

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. Price of Derivative Security (Instr. 5)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Phantom Stock	<sup>(8)</sup>	05/01/2012		X <sup>(4)</sup>	7.86	<sup>(9)</sup>	<sup>(9)</sup>	Common Stock	7.86	\$ 27.0 <sup>(5)</sup>

## 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

05/03/2012

\_\_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) Reflects the withholding of shares of common stock to pay the tax liability incident to the vesting of stock-settled restricted stock units.
- (2) Reflects the average of the high and low trading prices on the date of settlement.
- (3) The total amount of securities beneficially owned following the reported transactions includes dividend equivalent rights accrued in transactions that were exempt from reporting under the Securities Exchange Act of 1934.
- (4) Reflects the cash settlement of phantom stock.
- (5) Reflects the closing price on the date of settlement.
- (6) These shares, which were previously reported as directly held, were transferred to the Steven R. Loranger Revocable Trust in a transaction exempt from reporting under Rule 16a-13.
- (7) As of April 30, 2012.
- (8) Each share of phantom stock represents the right to receive the cash value of one share of Xylem Inc. common stock.
- (9) Credited shares of phantom stock are payable in cash pursuant to the Resignation Agreement, dated as of October 14, 2011, by and between Mr. Loranger and ITT Corporation.

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.