

Xylem Inc.
Form 4
February 20, 2014

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 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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Connolly John P.

(Last) (First) (Middle)

C/O XYLEM INC., 1
INTERNATIONAL DRIVE

(Street)

RYE BROOK, NY 10573

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
Xylem Inc. [XYL]

3. Date of Earliest Transaction
(Month/Day/Year)
02/19/2014

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
X Officer (give title below) ____ Other (specify below)

VP, Controller & CAO

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. 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	02/19/2014		M	4,624	A \$ 24.6	19,672	D
Common Stock	02/19/2014		S	4,624	D \$ (1) 37.6154	15,048	D
Common Stock	02/19/2014		M	3,562	A \$ 26.6	18,610	D
Common Stock	02/19/2014		S	3,562	D \$ (1) 37.6154	15,048	D

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

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SEC 1474
(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. P Der Sec (Ins
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (Right to Buy)	\$ 24.6	02/19/2014		M	4,624	<u>(2)</u>	11/07/2021	common stock	4,624
Stock Option (Right to Buy)	\$ 26.6	02/19/2014		M	3,562	<u>(3)</u>	03/02/2022	common stock	3,562

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Connolly John P.
C/O XYLEM INC.
1 INTERNATIONAL DRIVE
RYE BROOK, NY 10573

VP, Controller & CAO

Signatures

/s/ Hannah Skeete, Securities Counsel of Xylem Inc., by power of attorney for John
Connolly

02/20/2014

____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).

- 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 37.61 to 37.64 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.
- (1)
 - (2) The original grant of 6936 options vests in three equal installments. The remaining 2312 options will vest on November 7, 2014.
 - (3) The original grant of 10684 options vests in three equal installments. The remaining 7122 options will vest in two equal installments on March 2, 2014 and March 2, 2015.

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

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