

Xylem Inc.
Form 4
February 08, 2012

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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 *
HAMRE JOHN J

(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)
11/01/2011

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 Ownership (Instr. 4) | | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|--------|---|--|
| | | | | (A) or (D) | Price | | | | | |
| Common Stock | 02/06/2012 | | M | V | 2,140 | A | \$ 25.5271 | 25,964 | D | |
| Common Stock | 02/06/2012 | | M | V | 3,560 | A | \$ 19.3965 | 29,524 | D | |

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

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 control number.

SEC 1474 (9-02)

Edgar Filing: Xylem Inc. - Form 4

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) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Phantom Stock | <u>(1)</u> | 11/01/2011 | | <u>J</u> ⁽²⁾ | 1,839.5 <u>(2)</u> | <u>(3)</u> <u>(3)</u> | Common Stock | 1,839 |
| Phantom Stock | <u>(1)</u> | 01/03/2012 | | <u>J</u> ⁽⁴⁾ | 7.405 | <u>(3)</u> <u>(3)</u> | Common Stock | 7.40 |
| Phantom Stock | <u>(1)</u> | 01/03/2012 | | <u>A</u> ⁽⁴⁾ | 7.405 | <u>(3)</u> <u>(3)</u> | Common Stock | 7.40 |
| Stock Option (Right to Buy) | \$ 25.5271 | 02/06/2012 | | M | 2,140 | <u>(5)</u> 03/08/2012 | Common Stock | 2,140 |
| Stock Option (Right to Buy) | \$ 19.3965 | 02/06/2012 | | M | 3,560 | <u>(5)</u> 05/07/2012 | Common Stock | 3,560 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| HAMRE JOHN J 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 John J. Hamre 02/08/2012

**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) Each share of phantom stock represents the right to receive the cash value of one share of Xylem Inc. common stock.
- (2)

Edgar Filing: Xylem Inc. - Form 4

These shares of phantom stock were equity awards formerly granted by ITT Corporation and were converted by ITT Corporation into phantom stock of Xylem Inc. in connection with the spin-off of Xylem Inc. from ITT Corporation.

- (3) Credited shares of phantom stock are payable in cash following the director's termination of service on the board of directors or a date selected by the director.
- (4) Represents dividend equivalent rights accrued on phantom stock which vest on the same terms as the phantom stock to which they relate.
- (5) These options are fully vested and exercisable.

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.