

Mueller Water Products, Inc.

Form 4

August 16, 2007

**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  
Number: 3235-0287  
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2005  
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burden hours per  
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*

FAIRHOLME CAPITAL  
MANAGEMENT LLC

(Last) (First) (Middle)

1001 BRICKELL BAY  
DRIVE, SUITE 3112

(Street)

MIAMI, FL 33131

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading

Symbol

Mueller Water Products, Inc.  
[MWA]5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

3. Date of Earliest Transaction

(Month/Day/Year)

08/14/2007

\_\_\_\_ Director

\_\_\_\_ Officer (give title  
below)

\_\_X\_\_ 10% Owner

\_\_\_\_ Other (specify  
below)

4. If Amendment, Date Original

Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check  
Applicable Line)

\_\_\_\_ Form filed by One Reporting Person

\_\_X\_\_ 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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|--------|------------|----------|---|--|---|
|                                 |                                      |  | Code                           | V   | Amount | (A) or (D) | Price    |   |  |   |
| Series A Common Stock           | 08/14/2007                           |  | S                              |   | 25,900 | D          | \$ 14.25 | 831,000   | I  | footnote (1)  |

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  
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number.**

SEC 1474  
(9-02)

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

## Edgar Filing: Mueller Water Products, Inc. - Form 4

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2. Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4. Transaction<br>Code<br>(Instr. 8) | 5. Number<br>of<br>Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed<br>of (D)<br>(Instr. 3,<br>4, and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and<br>Amount of<br>Underlying<br>Securities<br>(Instr. 3 and 4) | 8. Price of<br>Derivative<br>Security<br>(Instr. 5) | 9. Nu<br>Deriv<br>Secur<br>Bene<br>Own<br>Follo<br>Repo<br>Trans<br>(Instr |
|---|--|---|---|--------------------------------------|--|--|---|---|--|
|   |  |   |   | Code                                 | V (A) (D)  | Date<br>Exercisable  | Expiration<br>Date  | Title   | Amount<br>or<br>Number<br>of<br>Shares                                     |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| FAIRHOLME CAPITAL MANAGEMENT LLC<br>1001 BRICKELL BAY DRIVE<br>SUITE 3112<br>MIAMI, FL 33131 |               | X         |         |       |
| BERKOWITZ BRUCE R<br>1001 BRICKELL BAY DRIVE<br>SUITE 3112<br>MIAMI, FL 33131                |               | X         |         |       |

## Signatures

Fairholme Capital Management, L.L.C. By: /s/ Bruce R. Berkowitz, Managing Member 08/16/2007

\_\_Signature of Reporting Person Date

By: Bruce R. Berkowitz 08/16/2007

\_\_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).

Bruce R. Berkowitz ("Mr. Berkowitz") is the managing member of Fairholme Capital Management, L.L.C., a Delaware limited liability company ("Fairholme, and together with Mr. Berkowitz, the "Reporting Persons"), which serves as the general partner, managing member, investment manager or investment adviser to several investment funds, both public and private, and separately managed

- (1) accounts that own such reported securities. Transactions reported on this Form 4 were executed on behalf of the partnerships to which Fairholme acts as investment adviser. The Reporting Persons each disclaim beneficial ownership in the securities reported on this Form 4 except to the extent of their pecuniary interest, if any, therein, and this report shall not be deemed to be an admission that the Reporting Persons are the beneficial owners of such securities for purposes of Section 16 or for any other purpose.

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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