

Edgar Filing: American Water Capital Corp. - Form FWP

American Water Capital Corp.
Form FWP
August 11, 2014

Free Writing Prospectus

Filed Pursuant to Rule 433

Registration Statement Nos.

333-181155 and 333-181155-01

August 11, 2014

American Water Capital Corp.

American Water Works Company Inc.

\$300,000,000 3.400% Senior Notes due 2025

\$200,000,000 4.300% Senior Notes due 2042

Term Sheet

Issuer:	American Water Capital Corp.
Support Provider:	American Water Works Company, Inc.
Security:	3.400% Senior Notes due 2025 (the 2025 Notes)
	4.300% Senior Notes due 2042 (the 2042 Notes)
Size:	\$300,000,000 for the 2025 Notes
	\$200,000,000 for the 2042 Notes
Trade Date:	August 11, 2014
Settlement Date:	August 14, 2014 (T+3)
Maturity Date:	March 1, 2025 for the 2025 Notes
	December 1, 2042 for the 2042 Notes
Benchmark Treasury:	UST 2.500% due May 15, 2024 for the 2025 Notes
	UST 3.625% due February 15, 2044 for the 2042 Notes
Benchmark Treasury Yield:	2.415% for the 2025 Notes
	3.225% for the 2042 Notes
Spread to Benchmark Treasury:	+100 bps for the 2025 Notes
	+110 bps for the 2042 Notes
Yield to Maturity:	3.415% for the 2025 Notes
	4.325% for the 2042 Notes
Coupon:	3.400% for the 2025 Notes

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Price to Public:	4.300% for the 2042 Notes
	99.867% for the 2025 Notes
Interest Payment Dates:	99.589% for the 2042 Notes, plus accrued interest of \$1,743,888.89 from June 1, 2014
	2025 Notes: March 1 and September 1 of each year, beginning on March 1, 2015
Redemption Provisions:	2042 Notes: June 1 and December 1 of each year, beginning on December 1, 2014
Make whole call:	Treasury +15 bps for the 2025 Notes
Par call:	Treasury +25 bps for the 2042 Notes
	On or after December 1, 2024 for the 2025 Notes
CUSIP:	On or after June 1, 2042 for the 2042 Notes
	2025 Notes: 03040W AL9
ISIN:	2042 Notes: 03040W AJ4
	2025 Notes: US03040W AL90
Joint Book-Running Managers:	2042 Notes: US03040W AJ45
	Merrill Lynch, Pierce, Fenner & Smith Incorporated
	RBC Capital Markets, LLC
	RBS Securities Inc.
	TD Securities (USA) LLC

Co-Managers:

U.S. Bancorp Investments, Inc.

Mitsubishi UFJ Securities (USA), Inc.

The Williams Capital Group, L.P.

Blaylock Beal Van, LLC

Loop Capital Markets LLC

MFR Securities, Inc.

Mischler Financial Group, Inc.

The Issuer and the Support Provider have filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the Issuer and the Support Provider have filed with the SEC for more complete information about the Issuer, the Support Provider and this offering. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, any underwriter participating in the offering will arrange to send you the prospectus if you request it by calling Merrill Lynch, Pierce, Fenner & Smith Incorporated at 1-800-294-1322, RBC Capital Markets, LLC at 1-866-375-6829, RBS Securities Inc. at 1-866-884-2071 or TD Securities (USA) LLC at 1-855-495-9846.