

Edgar Filing: American Water Capital Corp. - Form FWP

American Water Capital Corp.  
Form FWP  
August 07, 2017

Free Writing Prospectus  
Filed Pursuant to Rule 433  
Registration Statement Nos.  
333-203949 and 333-203949-01  
August 7, 2017

American Water Capital Corp.

American Water Works Company, Inc.

\$600,000,000 2.950% Senior Notes due 2027

\$750,000,000 3.750% Senior Notes due 2047

Term Sheet

<b>Issuer:</b>	American Water Capital Corp.
<b>Support Provider:</b>	American Water Works Company, Inc.
<b>Security:</b>	2.950% Senior Notes due 2027 (the 2027 Notes )
	3.750% Senior Notes due 2047 (the 2047 Notes )
<b>Size:</b>	\$600,000,000 for the 2027 Notes
	\$750,000,000 for the 2047 Notes
<b>Trade Date:</b>	August 7, 2017
<b>Settlement Date:</b>	August 10, 2017 (T+3)
<b>Maturity Date:</b>	September 1, 2027 for the 2027 Notes
	September 1, 2047 for the 2047 Notes
<b>Benchmark Treasury:</b>	UST 2.375% due May 15, 2027 for the 2027 Notes
	UST 3.000% due February 15, 2047 for the 2047 Notes
<b>Benchmark Treasury Yield:</b>	2.258% for the 2027 Notes
	2.837% for the 2047 Notes
<b>Spread to Benchmark Treasury:</b>	+73 bps for the 2027 Notes
	+93 bps for the 2047 Notes
<b>Yield to Maturity:</b>	2.988% for the 2027 Notes
	3.767% for the 2047 Notes
<b>Coupon:</b>	2.950% for the 2027 Notes

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<b>Price to Public:</b>	3.750% for the 2047 Notes 99.671% for the 2027 Notes
<b>Interest Payment Dates:</b>	99.693% for the 2047 Notes 2027 Notes: March 1 and September 1 of each year, beginning on March 1, 2018  2047 Notes: March 1 and September 1 of each year, beginning on March 1, 2018
<b>Redemption Provisions:</b>	
<b>Make whole call:</b>	Adjusted Treasury Rate +12.5 bps for the 2027 Notes
<b>Par call:</b>	Adjusted Treasury Rate +15 bps for the 2047 Notes On or after June 1, 2027, for the 2027 Notes
<b>CUSIP:</b>	On or after March 1, 2047, for the 2047 Notes 2027 Notes: 03040W AQ8
<b>ISIN:</b>	2047 Notes: 03040W AR6 2027 Notes: US03040WAQ87
<b>Ratings (1):</b>	2047 Notes: US03040WAR60 A3 (stable outlook) / A (stable outlook) (Moody s/S&P)
<b>Joint Book-Running Managers:</b>	J.P. Morgan Securities LLC  U.S. Bancorp Investments, Inc.  Wells Fargo Securities, LLC  MUFG Securities Americas Inc.

**Co-Managers:**

Mizuho Securities USA LLC

PNC Capital Markets LLC

Regions Securities LLC

Merrill Lynch, Pierce, Fenner & Smith

Incorporated

RBC Capital Markets, LLC

TD Securities (USA) LLC

BB&T Capital Markets, a division of BB&T Securities, LLC

Santander Investment Securities Inc.

CastleOak Securities, L.P.

C.L. King & Associates, Inc.

Drexel Hamilton, LLC

Loop Capital Markets LLC

MFR Securities, Inc.

Samuel A. Ramirez & Company, Inc.

Siebert Cisneros Shank & Co., L.L.C.

The Williams Capital Group, L.P.

(1) Neither of these ratings is a recommendation to buy, sell or hold these securities. Each rating may be subject to revision or withdrawal at any time, and should be evaluated independently of any other rating.

The term **Adjusted Treasury Rate** has the meaning ascribed to that term in the Issuer's Preliminary Prospectus Supplement, dated August 7, 2017.

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](http://www.sec.gov). Alternatively, any underwriter participating in the offering will arrange to send you the prospectus if you request it by calling J.P. Morgan Securities LLC collect at (212) 834-4533, U.S. Bancorp Investments, Inc. at 1-877-558-2607, or Wells Fargo Securities, LLC toll-free at (800) 645-3751.