Patterson William Form 4 February 24, 2009

#### 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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES** 

Form 5 Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue. 30(h) of the Investment Company Act of 1940 See Instruction

**OMB APPROVAL** 

**OMB** 3235-0287 Number:

January 31, Expires: 2005

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(Print or Type Responses)

1(b).

1. Name and Address of Reporting Person \* Patterson William

2. Issuer Name and Ticker or Trading Symbol

American Water Works Company,

Inc. [AWK]

(Last) (First) (Middle)

> (Month/Day/Year) 02/20/2009

1025 LAUREL OAK ROAD (Street)

(Zip)

4. If Amendment, Date Original

Execution Date, if

(Month/Day/Year)

Filed(Month/Day/Year)

3. Date of Earliest Transaction

5. Relationship of Reporting Person(s) to

Issuer

(Check all applicable)

Director 10% Owner X\_ Officer (give title Other (specify

below) below) SVP,Corp&Business Development

6. Individual or Joint/Group Filing(Check

Applicable Line) \_X\_ Form filed by One Reporting Person

Form filed by More than One Reporting Person

VOORHEES, NJ 08043

(City)

Security

(Instr. 3)

1. Title of 2. Transaction Date 2A. Deemed

(State)

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code

Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

5. Amount of Securities Beneficially Owned Following Reported

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial (T) (Instr. 4)

Ownership (Instr. 4)

(A) Transaction(s) (Instr. 3 and 4) Code V Amount (D) Price

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

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

1. Title of 3. Transaction Date 3A. Deemed 5. Number of 6. Date Exercisable and 7. Title and Amount 4. Derivative Conversion (Month/Day/Year) Execution Date, if **Transaction**Derivative **Expiration Date** Underlying Securities Security or Exercise Code Securities (Month/Day/Year) (Instr. 3 and 4) any

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(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8) Acquired (A) or Disposed o (D) (Instr. 3, 4, and 5)		ed of				
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amoun or Numbe of Shar
Performance Stock Unit	(1)	02/20/2009	02/20/2009	A	3,892		<u>(1)</u>	12/31/2011	Common Stock	3,892
Employee Stock Option (right to buy)	\$ 20.7	02/20/2009	02/20/2009	A	21,727		(2)	12/31/2015	Common Stock	21,72

#### **Reporting Owners**

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Patterson William 1025 LAUREL OAK ROAD VOORHEES, NJ 08043

SVP, Corp&Business Development

### **Signatures**

/s/ Karen K. Pettiford-Wilson by Power of Attorney previously filed 02/24/2009

\*\*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).

Each performance stock unit represents a contingent right to receive one share of the Issuer's common stock. The actual number of performance stock units that may be earned will be based on the Issuer's annual total stockholder return ("TSR") relative to the performance of the Dow Jones Utility Index over the three-year performance period beginning on January 1, 2009 and ending December

- (1) 31, 2011. Threshold (50% of the units earned if target levels of performance are achieved), target and maximum (150% of target) amounts of performance units will be earned if the Issuer's TSR relative to the Dow Jones Utility Index is 25%, 50% and 75%, respectively. The number of performance stock units shown in column 5 is equal to the maximum number of performance stock units that may be earned.
- (2) The options vest in three equal installments on January 1, 2010, 2011 and 2012.

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.

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