

Riley Jr. Gilbert N
Form 4
May 20, 2010

FORM 4

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

OMB APPROVAL

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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 *
Riley Jr. Gilbert N

2. Issuer Name and Ticker or Trading Symbol
A123 SYSTEMS, INC. [AONE]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
C/O A123 SYSTEMS, INC., 321 ARSENAL STREET

3. Date of Earliest Transaction (Month/Day/Year)
05/18/2010

Director 10% Owner
 Officer (give title below) Other (specify below)
CTO and VP of Res. and Dev.

(Street)
WATERTOWN, MA 02472

4. If Amendment, Date Original Filed(Month/Day/Year)

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 Indirect Beneficial Ownership (Instr. 4)
Common Stock ⁽¹⁾	05/18/2010		A	19,783	A \$ 0 394,464	D	
Common Stock					753,705	I	By The Yusun Kim Riley Revocable Trust

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

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SEC 1474 (9-02)

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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 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
Stock Option (Right to Buy)	\$ 10.11	05/18/2010		A	29,299	05/18/2011 ⁽²⁾ 05/18/2020	Common Stock	29,299

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Riley Jr. Gilbert N C/O A123 SYSTEMS, INC. 321 ARSENAL STREET WATERTOWN, MA 02472	X		CTO and VP of Res. and Dev.	

Signatures

/s/ Eric J. Pyenson,
attorney-in-fact
05/19/2010

__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) The reporting person was awarded restricted stock units (the "RSUs"). 25% of the RSUs vest on May 18, 2011, and 6.25% vest quarterly thereafter until the RSUs are fully vested.
- (2) 25% of the shares subject to the option vest on this date, and 6.25% of the shares subject to the option vest quarterly thereafter until the option is fully vested.

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.