

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re: : Chapter 11
: :
A123 SYSTEMS, INC., et al., : Case No. 12-12859 (KJC)
: :
Debtors.¹ : Joint Administration Pending
: :
----- X Re: Docket Nos. 34 & 40

ORDER SHORTENING NOTICE AND OBJECTION PERIODS AND SETTING AN EXPEDITED HEARING ON THE MOTION OF DEBTORS FOR ORDER (I) UNDER 11 U.S.C. §§ 105(A), 363, 365, 503, 507 AND 1146(A), FED. R. BANKR. P. 2002, 6004, 6006, 9007 AND 9014 AND DEL. BANKR. L.R. 2002-1, 6004-1 AND 9006-1 AUTHORIZING AND APPROVING (A) BIDDING PROCEDURES IN CONNECTION WITH THE SALE OF CERTAIN ASSETS OF THE DEBTORS, (B) STALKING HORSE BID PROTECTIONS, (C) THE FORM AND MANNER OF NOTICE OF THE SALE HEARING AND (D) RELATED RELIEF; AND (II) UNDER 11 U.S.C. §§ 105(A), 363, 365, 503, 507 AND 1146(A), FED. R. BANKR. P. 2002, 6004, 6006, 9007 AND 9014 AND DEL. BANKR. L.R. 2002-1, 6004-1 AND 9006-1 AUTHORIZING (A) THE SALE OF CERTAIN ASSETS OF THE DEBTORS FREE AND CLEAR OF ALL CLAIMS, LIENS, LIABILITIES, RIGHTS, INTERESTS AND ENCUMBRANCES EXCEPT FOR PERMITTED ENCUMBRANCES; (B) THE DEBTORS TO ENTER INTO AND PERFORM THEIR OBLIGATIONS UNDER THE ASSET PURCHASE AGREEMENT; (C) THE DEBTORS TO ASSUME AND ASSIGN CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES; AND (D) RELATED RELIEF

Upon the motion (the "Motion to Shorten")² of the above-captioned debtors and debtors-in-possession (collectively, the "Debtors") for entry of an order shortening notice, pursuant to Bankruptcy Code Section 105, Bankruptcy Rules 2002(a)(2) and 9006(c)(1), and Local Rules 9006-1(c) and (e) and 9013-1(m), with respect to a hearing on the *Motion of Debtors for Order (I) Under 11 U.S.C. §§ 105(a), 363, 365, 503, 507 and 1146(a), Fed. R. Bankr. P.*

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number, are: A123 Systems, Inc. (3876); A123 Securities Corporation (5388); and Grid Storage Holdings LLC (N/A). The above-captioned Debtors' mailing address is c/o A123 Systems, Inc., 200 West Street, Waltham, Massachusetts 02451.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion to Shorten.

2002, 6004, 6006, 9007 and 9014 and Del. Bankr. L.R. 2002-1, 6004-1 and 9006-1 Authorizing and Approving (A) Bidding Procedures in Connection with the Sale of Certain Assets of the Debtors, (B) Stalking Horse Bid Protections, (C) the Form and Manner of Notice of the Sale Hearing and (D) Related Relief; and (II) Under 11 U.S.C. §§ 105(a), 363, 365, 503, 507 and 1146(a), Fed. R. Bankr. P. 2002, 6004, 6006, 9007 and 9014 and Del. Bankr. L.R. 2002-1, 6004-1 and 9006-1 Authorizing (A) the Sale of Certain Assets of the Debtors Free and Clear of All Claims, Liens, Liabilities, Rights, Interests and Encumbrances Except for Permitted Encumbrances; (B) the Debtors to Enter Into and Perform Their Obligations Under the Asset Purchase Agreement; (C) the Debtors to Assume and Assign Certain Executory Contracts and Unexpired Leases; and (D) Related Relief [Docket No. 34] (the "**Motion**"); and it appearing that the relief requested therein is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that the Motion to Shorten is a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that venue of this proceeding and the Motion to Shorten in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion to Shorten was appropriate under the particular circumstances and no other or further notice need be given; and after due deliberation and sufficient cause appearing therefor,

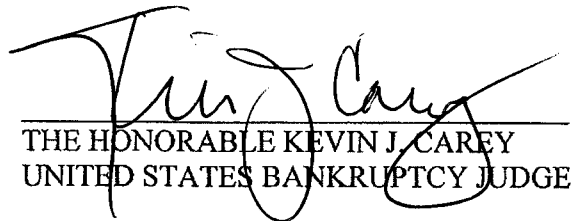
IT IS HEREBY ORDERED THAT

1. The Motion to Shorten is GRANTED.
2. The hearing with respect to the Bidding Procedures Relief requested in the Motion and any objections thereto shall take place on October 30, 2012 at 10:00 a.m. (prevailing Eastern Time).
3. Parties must file objections, if any, to the Bidding Procedures Relief by

10:00 p.m. (prevailing Eastern Time) on October 26, 2012; *provided however, **

4. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: October 18, 2012
Wilmington, Delaware


THE HONORABLE KEVIN J. CAREY
UNITED STATES BANKRUPTCY JUDGE

** Any official committee appointed by the US Trustee may present any objections at the time of hearing.*