UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 27, 2012

XOMA CORPORATION

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of incorporation)

0-14710	52-2154066
(Commission File Number)	(IRS Employer Identification No.)

2910 Seventh Street, Berkeley, California	94710
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code	(510) 204-7200

Not applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into Material Definitive Agreement.

On September 27, 2012, XOMA Corporation (the "Company") entered into an amendment (the "Amendment") to its loan agreement dated as of December 30, 2011, by and among the Company's wholly-owned subsidiary XOMA (US) LLC as borrower (the "Borrower"), the Company, XOMA Technology Ltd. and XOMA Ireland Limited as guarantors, and General Electric Capital Corporation as agent and lender ("GE"), with such other lenders from time to time a party thereto. The original principal amount under the December 2011 loan agreement with GE (the "Loan Agreement") was $10,000,000, of which a principal amount of $7,857,143 was outstanding immediately prior to the effective date of the Amendment. The Amendment provides for an additional term loan in the amount of $4,642,857, and an extension of the interest-only monthly repayment period with respect to the aggregate loan obligation of $12,500,000 outstanding following the effective date of the Amendment through March 1, 2013, at a stated interest rate of 10.9% per annum. Thereafter, the Borrower is obligated to make monthly principal payments of $347,222, plus accrued interest, at a stated interest rate of 10.9% per annum, over a 27-month period commencing on April 1, 2013 and through June 15, 2015 (the "Maturity Date"), at which time the remaining outstanding principal amount of $3,125,000, plus accrued interest, shall be due. An "accrued final payment fee" in the amount of $191,283 was paid on the effective date of the Amendment, and a "final payment fee" in the amount of $875,000 is payable on the date upon which the outstanding principal amount is required to be repaid in full. Any mandatory or voluntary prepayment of the $12,500,000 will accelerate the due date of the final payment fee, and trigger a prepayment penalty equal to 3% of the outstanding principal amount being prepaid if prepaid on or before September 27, 2013, 2% if prepaid on or before September 27, 2014, and 1% if prepaid after September 27, 2014, but prior to the Maturity Date. In connection with the Amendment, the Company, the Borrower, XOMA Ireland Limited and XOMA Technology Ltd., each reaffirmed the security interest that was granted pursuant to the Loan Agreement, which covers substantially all of their existing and after-acquired assets, excluding intellectual property assets. The other material terms of the Loan Agreement remain as set forth in the Loan Agreement, filed with the Securities and Exchange Commission on March 14, 2012 as Exhibit 10.43 to our Annual Report on Form 10-K for the fiscal year ended 2011, and incorporated herein by reference.

In connection with the Amendment, on September 27, 2012 we issued GE a warrant to purchase up to 39,346 shares of our common stock (the "Warrant"). The Warrant is exercisable immediately, has a five year term and an exercise price of $3.54 per share.

The Amendment and the Warrant are filed herewith as Exhibits 4.10 and 10.46, respectively, and are incorporated herein by reference. The foregoing description of the Amendment and the Warrant is qualified in its entirety by reference to such exhibits.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth above and referenced under Item 1.01 is hereby incorporated by reference into this Item 2.03.

Item 3.02 Unregistered Sales of Equity Securities.

The information set forth above and referenced under Item 1.01 is hereby incorporated by reference into this Item 3.02.

The Warrant was offered pursuant to exemptions from registration under Section 4(2) of the Securities Act to one purchaser, which was an "accredited investor" as such term is defined in Regulation D. A legend was placed on the Warrant that it has not been registered and is restricted from resale.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
4.10	Warrant issued to General Electric Capital Corporation, dated September 27, 2012.
10.46	First Amendment to Loan Agreement, by and between General Electric Capital Corporation, the Company as guarantor, XOMA (US) LLC as borrower, and certain other wholly-owned subsidiaries of the Company, dated September 27, 2012.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: October 3, 2012

XOMA CORPORATION

By: /s/ Fred Kurland
Fred Kurland
Vice President, Finance and
Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Description
4.10	Warrant issued to General Electric Capital Corporation, dated September 27, 2012.
10.46	First Amendment to Loan Agreement, by and between General Electric Capital Corporation, the Company as guarantor, XOMA (US) LLC as borrower, and certain other wholly-owned subsidiaries of the Company, dated September 27, 2012.

WARRANT

NEITHER THIS WARRANT NOR THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). SUBJECT TO SECTION 6 BELOW, AND EXCEPT IN COMPLIANCE WITH RULE 144 UNDER THE ACT, NO SALE OR DISPOSITION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR HOLDER, SATISFACTORY TO COMPANY, THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACT OR RECEIPT OF A NO-ACTION LETTER FROM THE SECURITIES AND EXCHANGE COMMISSION.

WARRANT TO PURCHASE 39,346 COMMON SHARES

THIS CERTIFIES THAT, for value received, GE Capital Equity Investments, Inc. ("Holder") is entitled to subscribe for and purchase thirty-nine thousand three hundred forty-six (39,346) shares of fully paid and nonassessable shares of Common Stock of XOMA Corporation, a Delaware corporation ("Company"), at the Warrant Price (as hereinafter defined), subject to the provisions and upon the terms and conditions hereinafter set forth. As used herein, the term "Common Stock" shall mean Company's presently authorized common shares, US$0.0075 par value per share, and any shares into which such common shares may hereafter be converted or exchanged and the term "Warrant Shares" shall mean the shares of Common Stock which Holder may acquire pursuant to this Warrant and any other shares into which such shares of Common Stock may hereafter be converted or exchanged.

1 . Warrant Price. The "Warrant Price" shall initially be three and 54/100 dollars ($3.54) per share, subject to adjustment as provided in Section 7 below; provided that at no time shall the Warrant Price be less than the then current par value of any Common Stock to be issued hereunder.

2. Conditions to Exercise. The purchase right represented by this Warrant may be exercised at any time, or from time to time, in whole or in part during the term commencing on the date hereof and ending at 5:00 P.M. Pacific time on the fifth anniversary of the date of this Warrant (the "Expiration Date").

3. Method of Exercise or Conversion; Payment; Issuance of Shares; Issuance of New Warrant.

(a) Cash Exercise. Subject to Section 2 hereof, the purchase right represented by this Warrant may be exercised by Holder hereof, in whole or in part, by the surrender of the original of this Warrant (together with a duly executed Notice of Exercise in substantially the form attached hereto) at the principal office of Company (as set forth in Section 18 below) and by payment to Company, by certified or bank check, or wire transfer of immediately available funds, of an amount equal to the then applicable Warrant Price per share multiplied by the number of Warrant Shares then being purchased (the "Aggregate Purchase Price"). In the event of any exercise of the rights represented by this Warrant, certificates for the shares of Common Stock so purchased shall be in the name of, and delivered to, Holder hereof, or as such Holder may direct (subject to the terms of transfer contained herein and upon payment by such Holder hereof of any applicable transfer taxes). Such delivery shall be made within 30 days after exercise of this Warrant and at Company's expense and, unless this Warrant has been fully exercised or expired, a new Warrant having terms and conditions substantially identical to this Warrant and representing the portion of the Warrant Shares, if any, with respect to which this Warrant shall not have been exercised, shall also be issued to Holder hereof within 30 days after exercise of this Warrant.

(b) Cashless Exercise. Notwithstanding anything contained herein to the contrary, the Holder may, in its sole discretion, exercise this Warrant in whole or in part and, in lieu of making the cash payment otherwise contemplated to be made to the Company upon such exercise in payment of the Aggregate Exercise Price (with the consideration for such exercise being Holder's surrender of a portion of this Warrant equal to the difference between "A" and the "Net Number" set forth below), elect instead to receive upon such exercise the "Net Number" of shares of Common Stock determined according to the following formula (a "Cashless Exercise"):

$$\textbf{Net Number} = \frac{\textbf{(A x B) - (A x C)}}{\textbf{B}}$$

For purposes of the foregoing formula:

A = the total number of shares with respect to which this Warrant is then being exercised.

B = the Weighted Average Price of the shares of Common Stock (as reported by Bloomberg) for the five (5) consecutive Trading Days ending on the date immediately preceding the date of the Exercise Notice.

C = the Exercise Price then in effect for the applicable Warrant Shares at the time of such exercise.

(c) Certain Definitions. For the purpose of this Warrant: "Weighted Average Price" means, for any security as of any date, the dollar volume-weighted average price for such security on The Nasdaq Global Market (the "Principal Market") during the period beginning at 9:30:01 a.m., New York Time (or such other time as the Principal Market publicly announces as the official open of trading), and ending at 4:00:00 p.m., New York Time (or such other time as the Principal Market publicly announces is the official close of trading) as reported by Bloomberg through its "Volume at Price" function, or, if the foregoing does not apply, the dollar volume-weighted average price of such security in the over-the-counter market on the electronic bulletin board for such security during the period beginning at 9:30:01 a.m., New York Time (or such other time as such market publicly announces is the official open of trading), and ending at 4:00:00 p.m., New York Time (or such other time as such market publicly announces is the official close of trading) as reported by Bloomberg, or, if no dollar volume-weighted average price is reported for such security by Bloomberg for such hours, the average of the highest closing bid price and the lowest closing ask price of any of the market makers for such security as reported in the "pink sheets" by Pink Sheets LLC (formerly the National Quotation Bureau, Inc.). If the Weighted Average Price cannot be calculated for a security on a particular date on any of the foregoing bases, the Weighted Average Price of such security on such date shall be the fair market value as mutually determined by the Company and the Holder. All such determinations are to be appropriately adjusted for any share dividend, share split, share combination or other similar transaction during the applicable calculation period. "Trading Day" means any day on which the Common Stock is traded on the Principal Market, or, if the Principal Market is not the principal trading market for the Common Stock, then on the principal securities exchange or securities market on which the Common Stock is then traded; provided that "Trading Day" shall not include any day on which the Common Stock is scheduled to trade on such exchange or market for less than 4.5 hours or any day that the Common Stock is suspended from trading during the final hour of trading on such exchange or market (or if such exchange or market does not designate in advance the closing time of trading on such exchange or market, then during the hour ending at 4:00:00 p.m., New York Time).

(d) Automatic Exercise. To the extent this Warrant is not previously exercised, it shall be deemed to have been automatically converted in accordance with Sections 3(b) and 3(c) hereof (even if not surrendered) as of immediately before its expiration, involuntary termination or cancellation (including pursuant to Section 3(e)(ii)) if the then-Weighted Average Price of a Warrant Share exceeds the then-Warrant Price, unless Holder notifies Company in writing to the contrary prior to such automatic exercise.

(e) Treatment of Warrant Upon Acquisition of Company.

(i) Certain Definitions. For the purpose of this Warrant: "Acquisition" means any sale, license, assignment, or other disposition of all or substantially all of the assets of Company, or any reorganization, consolidation, amalgamation or merger of Company, or sale of outstanding Company securities by holders thereof, where the holders of Company's securities as of immediately before the transaction beneficially own less than a majority of the outstanding voting securities of the successor or surviving entity as of immediately after the transaction. For purposes of this Section 3(e), "Affiliate" shall mean any person or entity that owns or controls directly or indirectly ten percent (10%) or more of the voting capital stock of Company, any person or entity that controls or is controlled by or is under common control with such persons or entities, and each of such person's or entity's officers, directors, joint venturers or partners, as applicable. Company shall provide Holder with written notice of any proposed Acquisition not later than ten (10) business days prior to the closing thereof setting forth the material terms and conditions thereof, and shall provide Holder with copies of the draft transaction agreements and other documents in connection therewith and with such other information respecting such proposed Acquisition as may reasonably be requested by Holder.

(ii) Acquisition for Cash. Holder agrees that, in the event of an Acquisition in which the sole consideration is cash, this Warrant shall be automatically exercised (or terminate) as provided in Section 3(d) on and as of the closing of such Acquisition to the extent not previously exercised.

(iii) Asset Sale. In the event of an Acquisition that is an arms length sale of all or substantially all of Company's assets (and only its assets) to a third party that is not an Affiliate of Company (a "True Asset Sale"), Holder may either (a) exercise its conversion or purchase right under this Warrant and such exercise will be deemed effective immediately prior to the consummation of such Acquisition, or (b) permit the Warrant to continue until the Expiration Date if Company continues as a going concern following the closing of any such True Asset Sale.

(iv) Assumption of Warrant. Upon the closing of any Acquisition other than as particularly described in Section 3(e)(ii) or 3(e)(iii) above, Company shall, unless Holder requests otherwise, cause the surviving or successor entity to assume this Warrant and the obligations of Company hereunder, and this Warrant shall, from and after such closing, be exercisable for the same class, number and kind of securities, cash and other property as would have been paid for or in respect of the shares issuable (as of immediately prior to such closing) upon exercise in full hereof as if such shares had been issued and outstanding on and as of such closing, at an aggregate Warrant Price equal to the aggregate Warrant Price in effect as of immediately prior to such closing (and subject to further adjustment thereafter from time to time in accordance with the provisions of this Warrant).

4. Representations and Warranties of Holder and Company.

(a) Representations and Warranties by Holder. Holder represents and warrants to Company with respect to this purchase as follows:

(i) Evaluation. Holder has substantial experience in evaluating and investing in private placement transactions of securities of companies similar to Company so that Holder is capable of evaluating the merits and risks of its investment in Company and has the capacity to protect its interests.

(ii) Resale. Except for transfers to an affiliate of Holder, Holder is acquiring this Warrant and the Warrant Shares issuable upon exercise of this Warrant (collectively the "Securities") for investment for its own account and not with a view to, or for resale in connection with, any distribution thereof. Holder understands that the Securities have not been registered under the Securities Act of 1933, as amended (the "Act") by reason of a specific exemption from the registration provisions of the Act which depends upon, among other things, the bona fide nature of the investment intent as expressed herein.

(iii) Rule 144. Holder acknowledges that the Securities must be held indefinitely unless subsequently registered under the Act or an exemption from such registration is available. Holder is aware of the provisions of Rule 144 promulgated under the Act.

(iv) Accredited Investor. Holder is an "accredited investor" within the meaning of Regulation D promulgated under the Act.

(v) Opportunity To Discuss. Holder has had an opportunity to discuss Company's business, management and financial affairs with its management and an opportunity to review Company's facilities. Holder understands that such discussions, as well as the written information issued by Company, were intended to describe the aspects of Company's business and prospects which Company believes to be material but were not necessarily a thorough or exhaustive description.

(b) Representations and Warranties by Company. Company hereby represents and warrants to Holder that the statements in the following paragraphs of this Section 4(b) are true and correct (a) as of the date hereof and (b) except where any such representation and warranty relates specifically to an earlier date, as of the date of any exercise of this Warrant.

(i) Corporate Organization and Authority. Company (a) is a corporation duly organized, validly existing, and in good standing in its jurisdiction of incorporation, (b) has the corporate power and authority to own and operate its properties and to carry on its business as now conducted and as proposed to be conducted; and (c) is qualified as a foreign corporation in all jurisdictions where such qualification is required, except where failure to so qualify would not reasonably be expected to have a material adverse effect on Company and its subsidiaries, taken as a whole.

(ii) Corporate Power . Company has all requisite legal and corporate power and authority to execute, issue and deliver this Warrant, to issue the Warrant Shares issuable upon exercise or conversion of this Warrant, and to carry out and perform its obligations under this Warrant.

(iii) Authorization; Enforceability. All corporate action on the part of Company, its officers, directors and shareholders necessary for the authorization, execution, delivery and performance of its obligations under this Warrant and for the authorization, issuance and delivery of this Warrant and the Warrant Shares issuable upon exercise of this Warrant has been taken and this Warrant constitutes the legally binding and valid obligation of Company enforceable in accordance with its terms.

(iv) Valid Issuance of Warrant and Warrant Shares. This Warrant has been validly issued and is free of restrictions on transfer other than restrictions on transfer set forth herein and under applicable state and federal securities laws. The Warrant Shares issuable upon exercise or conversion of this Warrant, when issued, sold and delivered in accordance with the terms of this Warrant for the consideration expressed herein, will be duly and validly issued, fully paid and nonassessable, and will be free of restrictions on transfer other than restrictions on transfer under this Warrant and under applicable state and federal securities laws. Subject to applicable restrictions on transfer, the issuance and delivery of this Warrant and the Warrant Shares issuable upon exercise or conversion of this Warrant are not subject to any preemptive or other similar rights or any liens or encumbrances except as specifically set forth in Company's Certificate of Incorporation ("Certificate of Incorporation") or this Warrant. Assuming the accuracy of the representations and warranties of Holder set forth in Section 4(a) hereof, the offer, sale and issuance of the Warrant Shares, as contemplated by this Warrant, are exempt from the prospectus and registration requirements of applicable United States federal and state securities laws, and neither Company nor any authorized agent acting on its behalf has or will take any action hereafter that would cause the loss of such exemption.

(v) No Conflict. The execution, delivery, and performance of this Warrant will not result in (a) any violation of, be in conflict with, or constitute a default under, with or without the passage of time or the giving of notice (1) any provision of Company's Certificate of Incorporation or Bylaws; (2) any provision of any judgment, decree, or order to which Company is a party, by which it is bound, or to which any of its material assets are subject; (3) any contract, obligation, or commitment to which Company is a party or by which it is bound; or (4) any statute, rule, or governmental regulation applicable to Company, or (b) the creation of any lien, charge or encumbrance upon any assets of Company except, in the case of clauses (a)(3) and (a)(4), to the extent that such violation, conflict or default would not reasonably be expected to have a material adverse effect on Company and its subsidiaries, taken as a whole.

(vi) Reports. Company has previously furnished or made available to Holder complete and accurate copies, as amended or supplemented, of its (a) Annual Report on Form 10-K for the fiscal year ended December 31, 2011, as filed with the Securities and Exchange Commission (the "SEC"), and (b) all other reports filed by Company under Section 13 or subsections (a) or (c) of Section 14 of the Securities Exchange Act of 1934 (as amended, the "Exchange Act") with the SEC since December 31, 2011 (such reports are collectively referred to herein as the "Company Reports"), provided that notification to Holder by facsimile transmission or electronic transmission of the Company Reports as filed on the Securities and Exchange Commission's Next-Generation EDGAR System shall have satisfied the notice and delivery requirements of this clause (vi). The Company Reports complied in all material respects with the requirements of the Exchange Act and the rules and regulations thereunder when filed.

5. Legends.

(a) Legend. Each certificate representing the Warrant Shares shall be endorsed with substantially the following legend:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AND MAY NOT BE TRANSFERRED (UNLESS SUCH TRANSFER IS TO AN AFFILIATE OF HOLDER) UNLESS COVERED BY AN EFFECTIVE REGISTRATION STATEMENT UNDER SAID ACT, A "NO ACTION" LETTER FROM THE SECURITIES AND EXCHANGE COMMISSION WITH RESPECT TO SUCH TRANSFER, A TRANSFER MEETING THE REQUIREMENTS OF RULE 144 OF THE SECURITIES AND EXCHANGE COMMISSION, OR (IF REASONABLY REQUIRED BY COMPANY) AN OPINION OF COUNSEL SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY SUCH TRANSFER IS EXEMPT FROM SUCH REGISTRATION.

Company need not enter into its stock records a transfer of Warrant Shares unless the conditions specified in the foregoing legend are satisfied. Company may also instruct its transfer agent not to allow the transfer of any of the Warrant Shares unless the conditions specified in the foregoing legend are satisfied.

(b) Removal of Legend and Transfer Restrictions. The legend relating to the Act endorsed on a certificate pursuant to paragraph 5(a) of this Warrant shall be removed and Company shall issue a certificate without such legend to Holder if (i) the Securities are registered under the Act and a prospectus meeting the requirements of Section 10 of the Act is available or (ii) Holder provides to Company an opinion of counsel for Holder reasonably satisfactory to Company, a no-action letter or interpretive opinion of the staff of the SEC reasonably satisfactory to Company, or other evidence reasonably satisfactory to Company, to the effect that public sale, transfer or assignment of the Securities may be made without registration and without compliance with any restriction such as Rule 144.

6. Transfers of Warrant. In connection with any transfer by Holder of this Warrant, Company may require the transferee to provide Company with written representations and warranties that transferee is acquiring this Warrant and the shares of Common Stock to be issued upon exercise for investment purposes only and not with a view to any sale or distribution, and may require Holder to provide a legal opinion, in form and substance satisfactory to Company and its counsel, stating that such transfer is exempt from the registration and prospectus delivery requirements of the Act; provided, that Company shall not require Holder to provide an opinion of counsel if the transfer is to an affiliate of Holder. Following any transfer of this Warrant, the transferee shall surrender this Warrant to Company in exchange for a new warrant of like tenor and date, executed by Company. Upon any partial transfer, Company will execute and deliver to Holder a new warrant of like tenor with respect to the portion of this Warrant not so transferred. Subject to the foregoing, this Warrant is transferable on the books of Company at its principal office by the registered Holder hereof upon surrender of this Warrant properly endorsed. Holder shall not have any right to transfer any portion of this Warrant to any direct competitor of Company.

7. Adjustment for Certain Events. The number and kind of securities purchasable upon the exercise of this Warrant and the Warrant Price shall be subject to adjustment from time to time upon the occurrence of certain events, as follows:

(a) Reclassification or Merger. In case of (i) any reclassification or change of securities of the class issuable upon exercise of this Warrant (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination), (ii) any merger or amalgamation of Company with or into another corporation (other than a merger or amalgamation with another corporation in which Company is the acquiring and the surviving or continuing corporation and which does not result in any reclassification or change of outstanding securities issuable upon exercise of this Warrant), or (iii) any sale of all or substantially all of the assets of Company, Company, or such successor or purchasing corporation, as the case may be, shall duly execute and deliver to Holder a new Warrant (in form and substance satisfactory to Holder of this Warrant), or Company shall make appropriate provision without the issuance of a new Warrant, so that Holder shall have the right to receive, at a total purchase price not to exceed that payable upon the exercise of the unexercised portion of this Warrant, and in lieu of the Warrant Shares theretofore issuable upon exercise or conversion of this Warrant, the kind and amount of shares of stock, other securities, money and property receivable upon such reclassification, change, merger, sale or amalgamation by a holder of the number of shares of Common Stock then purchasable under this Warrant, or in the case of such a merger, sale or amalgamation in which the consideration paid consists all or in part of assets other than securities of the successor or purchasing corporation, at the option of Holder, the securities of the successor or purchasing corporation having a value at the time of the transaction equivalent to the value of the Warrant Shares purchasable upon exercise of this Warrant at the time of the transaction. Any new Warrant shall provide for adjustments that shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section 7. The provisions of this subparagraph (a) shall similarly apply to successive reclassifications, changes, mergers, amalgamations and transfers.

(b) Subdivision or Combination of Shares. If Company at any time while this Warrant remains outstanding and unexpired shall subdivide or combine its outstanding shares of Common Stock, the Warrant Price shall be proportionately decreased and the number of Warrant Shares issuable hereunder shall be proportionately increased in the case of a subdivision and the Warrant Price shall be proportionately increased and the number of Warrant Shares issuable hereunder shall be proportionately decreased in the case of a combination.

(c) Stock Dividends and Other Distributions. If Company at any time while this Warrant is outstanding and unexpired shall (i) pay a dividend with respect to Common Stock payable in Common Stock, then the Warrant Price shall be adjusted, from and after the date of determination of shareholders entitled to receive such dividend or distribution, to that price determined by multiplying the Warrant Price in effect immediately prior to such date of determination by a fraction (A) the numerator of which shall be the total number of shares of Common Stock outstanding immediately prior to such dividend or distribution, and (B) the denominator of which shall be the total number of shares of Common Stock outstanding immediately after such dividend or distribution; or (ii) make any other distribution with respect to Common Stock (except any distribution specifically provided for in Sections 7(a) and 7(b)), then, in each such case, provision shall be made by Company such that Holder shall receive upon exercise of this Warrant a proportionate share of any such dividend or distribution as though it were Holder of the Warrant Shares as of the record date fixed for the determination of the shareholders of Company entitled to receive such dividend or distribution.

(d) Adjustment of Number of Shares. Upon each adjustment in the Warrant Price, the number of Warrant Shares purchasable hereunder shall be adjusted, to the nearest whole share, to the product obtained by multiplying the number of Warrant Shares purchasable immediately prior to such adjustment in the Warrant Price by a fraction, the numerator of which shall be the Warrant Price immediately prior to such adjustment and the denominator of which shall be the Warrant Price immediately thereafter.

8. Notice of Adjustments; Redemption. Whenever any Warrant Price or the kind or number of securities issuable under this Warrant shall be adjusted pursuant to Section 7 hereof, Company shall prepare a certificate signed by an officer of Company setting forth, in reasonable detail, the event requiring the adjustment, the amount of the adjustment, the method by which such adjustment was calculated, and the Warrant Price and number or kind of shares issuable upon exercise of this Warrant after giving effect to such adjustment, and shall cause copies of such certificate to be mailed (by certified or registered mail, return receipt required, postage prepaid) within thirty (30) days of such adjustment to Holder as set forth in Section 18 hereof.

9. Financial and Other Reports. If at any time prior to the earlier of the Expiration Date and the complete exercise of this Warrant, Company is no longer subject to the reporting requirements of Section 13 or Section 15(d) of the Exchange Act, Company shall furnish to Holder (a) unaudited consolidated and, if available, consolidating balance sheets, statements of operations and cash flow statements within 30 days of each month end, in a form acceptable to Holder and certified by Company's president, chief executive officer, chief financial officer or general counsel, (b) Company's complete annual audited consolidated and, if available, consolidating balance sheets, statements of operations and cash flow statements certified by an independent certified public accountant selected by Company and acceptable to Holder (it being understood that Ernst & Young LLP is acceptable to Holder) within 120 days of the fiscal year end or, if sooner, within 5 business days of Company's Board of Directors receiving the audit and (c) within 30 days of the end of each calendar quarter, an updated capitalization table of Company in a form mutually acceptable to Holder and Company. All such annual statements are to be prepared using GAAP and all monthly financial statements delivered to Holder are to be prepared in accordance with historical practices and consistent in form to those financial statements previously provided to Holder. Company and Holder agree that the forms of balance sheets, statements of operations, cash flow statements and capitalization tables of Company previously accepted by Holder (or any affiliate of Holder) shall be deemed acceptable for the purposes of this Section 9.

10. Currency. All references to "dollars" and the sign "$" in this Warrant shall be to the lawful money of the United States of America.

11. No Fractional Shares. No fractional share of Common Stock will be issued in connection with any exercise or conversion hereunder, but rather the number of shares of Common Stock to be issued shall rounded up to the nearest whole number.

12. Charges, Taxes and Expenses. Issuance of certificates for shares of Common Stock upon the exercise or conversion of this Warrant shall be made without charge to Holder for any United States or state of the United States documentary stamp tax or other incidental expense with respect to the issuance of such certificate, all of which taxes and expenses shall be paid by Company, and such certificates shall be issued in the name of Holder.

13. No Shareholder Rights Until Exercise. Except as expressly provided herein, this Warrant does not entitle Holder to any voting rights or other rights as a shareholder of Company prior to the exercise hereof.

14. Registry of Warrant. Company shall maintain a registry showing the name and address of the registered Holder of this Warrant. This Warrant may be surrendered for exchange or exercise, in accordance with its terms, at such office or agency of Company, and Company and Holder shall be entitled to rely in all respects, prior to written notice to the contrary, upon such registry.

15. Loss, Theft, Destruction or Mutilation of Warrant. Upon receipt by Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant, and, in the case of loss, theft, or destruction, of indemnity reasonably satisfactory to it, and, if mutilated, upon surrender and cancellation of this Warrant, Company will execute and deliver a new Warrant, having terms and conditions substantially identical to this Warrant, in lieu hereof.

16. Miscellaneous.

(a) Issue Date. The provisions of this Warrant shall be construed and shall be given effect in all respect as if it had been issued and delivered by Company on the date hereof.

(b) Successors. This Warrant shall be binding upon any successors or assigns of Company.

(c) Headings. The headings used in this Warrant are used for convenience only and are not to be considered in construing or interpreting this Warrant.

(d) Saturdays, Sundays, Holidays. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall be a Saturday or a Sunday or shall be a legal holiday in the State of New York, then such action may be taken or such right may be exercised on the next succeeding day not a legal holiday.

(e) Attorney's Fees. In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs incurred in such dispute, including reasonable attorney's fees.

17. No Impairment. Company will not, by amendment of its Certificate of Incorporation or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such action as may be necessary or appropriate in order to protect the rights of Holder hereof against impairment.

18. Addresses. Any notice required or permitted hereunder shall be in writing and shall be mailed by overnight courier, registered or certified mail, return receipt requested, and postage prepaid, or otherwise delivered by hand or by messenger, addressed as set forth below, or at such other address as Company or Holder hereof shall have furnished to the other party in accordance with the delivery instructions set forth in this Section 18.

If to Company:	XOMA Corporation 2910 Seventh Street Berkeley, CA 94710 Attention: Legal Department
If to Holder:	GE Capital Equity Investments, Inc. c/o GE Healthcare Financial Services, Inc. Two Bethesda Metro Center, Suite 600 Bethesda, Maryland 20814 Attn: Senior Vice President of Risk – Life Science Finance
With copies to:	GE Healthcare Financial Services, Inc. Two Bethesda Metro Center, Suite 600 Bethesda, Maryland 20814 Attn: General Counsel and GE Equity 201 Merritt 7 Norwalk, Connecticut 06851 Attn: Team Leader –HFS/XOMA

If mailed by registered or certified mail, return receipt requested, and postage prepaid, notice shall be deemed to be given five (5) days after being sent, and if sent by overnight courier, by hand or by messenger, notice shall be deemed to be given when delivered (if on a business day, and if not, on the next business day).

19. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS WARRANT OR THE WARRANT SHARES.

20. GOVERNING LAW. THIS WARRANT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Company has caused this Warrant to be executed by its officer thereunto duly authorized.

XOMA CORPORATION

By: /s/ Fred Kurland
Name: Fred Kurland
Title: Vice President, Finance and Chief Financial Officer

Dated as of: September 27, 2012

NOTICE OF EXERCISE

To:
XOMA Corporation
2910 Seventh Street
Berkeley, CA 94710
Attention: Legal Department

1. The undersigned warrantholder ("Holder") elects to acquire common shares (the "Common Stock") of XOMA Corporation (the "Company"), pursuant to the terms of the Warrant dated September 27, 2012 (the "Warrant").

2. Holder exercises its rights under the Warrant as set forth below:

( ) Holder elects to purchase _____ shares of Common Stock as provided in Section 3(a) and tenders herewith a check in the amount of $_____ as payment of the purchase price.

( ) Holder elects a Cashless Exercise (as defined in the Warrant) with respect to _____ shares of Common Stock as provided in Section 3(b) of the Warrant.

3. Holder surrenders the Warrant with this Notice of Exercise.

Holder represents that it is acquiring the aforesaid shares of Common Stock for investment and not with a view to or for resale in connection with distribution and that Holder has no present intention of distributing or reselling the shares.

Please issue a certificate representing the shares of the Common Stock in the name of Holder or in such other name as is specified below:

Name: _____
Address: _____
Taxpayer I.D.: _____

GE CAPITAL EQUITY INVESTMENTS, INC.

By: _____
Name: _____
Title: _____

Date: _____ ___, 20___

Exhibit 10.46

FIRST AMENDMENT TO LOAN AGREEMENT

THIS FIRST AMENDMENT TO LOAN AGREEMENT (this "***Amendment***") is entered into as of September 27, 2012, by and among XOMA (US) LLC, a Delaware limited liability company ("***Borrower***"); XOMA CORPORATION (formerly known as XOMA Ltd.), a Delaware corporation ("***Holdings***"); the other Loan Parties signatory hereto; GENERAL ELECTRIC CAPITAL CORPORATION, a Delaware corporation (in its individual capacity, " ***GE Capital***"), for itself as Lender and as Agent for Lenders; and the other Lenders signatory hereto.

RECITALS

A. Borrower, the other Loan Parties, Lenders and Agent are parties to a certain Loan Agreement, dated as of December 30, 2011 (as in effect prior to the date hereof, the "***Existing Loan Agreement***", and as amended hereby and as may be further amended, restated, supplemented or otherwise modified from time to time, the "***Loan Agreement***"; capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Loan Agreement), pursuant to which Lenders have made to the Borrower a term loan in the original principal amount of $10,000,000, the outstanding principal balance of which is $7,857,142.84;

B. Borrower has requested that the Lenders make an additional term loan in the amount of $4,642,857.16(the "***Additional Term Loan***") and amend certain provisions of the Loan Agreement in connection therewith;

C. Subject to the terms and conditions set forth herein, the Lenders have agreed to provide the Additional Term Loan and amend the Loan Agreement as set forth herein;

NOW, THEREFORE, in consideration of the promises and the mutual covenants hereinafter contained, and intending to be legally bound, the parties hereto agree as follows:

A. AMENDMENTS

1. Each reference to "Parent" in the Loan Agreement shall mean XOMA Corporation, a Delaware corporation, formerly known as XOMA Ltd., a Bermuda exempted company.

2. Section 2.1(a) of the Loan Agreement is hereby amended by replacing such Section in its entirety with the following:

> (a) Existing Term Loan. The Lenders made term loans to Borrower on the Closing Date (as defined below) in the original aggregate principal amount of $10,000,000, the outstanding principal balance of which is $7,857,142.84 (the "Existing Term Loan"). As of September 27, 2012 (the "First Amendment Closing Date"), GECC is the only Lender and holds 100% of the Existing Term Loan.

3. Section 2.1(b) of the Loan Agreement is hereby amended by replacing such Section in its entirety with the following:

> (b) Additional Term Loan. Subject to the terms and conditions hereof, each Lender, severally, but not jointly, agrees to make an additional term loan (the "Additional Term Loan", and together with the Existing Term Loan, the "Term Loan") to Borrower on the First Amendment Closing Date in an aggregate principal amount equal to such Lender's additional term loan commitment as identified on Schedule A hereto (such additional term loan commitment of each Lender as it may be amended to reflect assignments made in accordance with this Agreement or terminated or reduced in accordance with this Agreement, its "Additional Term Loan Commitment", and the aggregate of all such commitments, the "Additional Term Loan Commitments"). Notwithstanding the foregoing, the aggregate principal amount of the Additional Term Loan made hereunder shall not exceed $4,642,857.16 (the "Total Additional Term Loan Commitment "), and the aggregate principal amount of the Term Loan, after giving effect to the funding of the Additional Term Loan, shall not exceed $12,500,000. Each Lender's obligation to fund the Additional Term Loan shall be limited to such Lender's Pro Rata Share (as defined below) of the Additional Term Loan. As of the First Amendment Closing Date, GECC shall be the only Lender, shall hold 100% of the Additional Term Loan Commitments and, subject to the terms and conditions hereof, will fund 100% of the Additional Term Loan on the First Amendment Closing Date. Prior to funding of the Additional Term Loan, all references in this Agreement to " Commitments" shall mean the aggregate outstanding principal amount of the Existing Term Loan, and after funding of the Additional Term Loan all references in this Agreement to the Commitments shall mean the outstanding principal amount of the Term Loan.

4. The first paragraph of Section 2.1(c) of the Loan Agreement is hereby amended by replacing such paragraph in its entirety with the following:

(c) Funding of Additional Term Loan. Upon the terms and subject to the conditions set forth herein, each Lender, severally and not jointly, shall make available to Agent its Pro Rata Share of the requested Additional Term Loan, in lawful money of the United States of America in immediately available funds, to the Collection Account (as defined below) prior to 11:00 a.m. (New York time) on the First Amendment Closing Date. Agent shall, unless it shall have determined that one of the conditions set forth in Section 4.2 has not been satisfied, by 4:00 p.m. (New York time) on the First Amendment Closing Date, credit the amounts received by it in like funds (net of any amounts due and payable to Agent) to Borrower by wire transfer to, unless otherwise specified in a Disbursement Letter (as defined below), the following deposit account of Borrower (or such other deposit account as specified in writing by an authorized officer of Borrower and acceptable to Agent):

5. Section 2.2(a) of the Loan Agreement is hereby amended by replacing such Section in its entirety with the following:

(a) Interest. The Existing Term Loan shall accrue interest in arrears from the Closing Date up to but excluding the First Amendment Closing Date at a fixed per annum rate of interest equal to 11.71%, and the Term Loan shall thereafter accrue interest in arrears from, and including, the First Amendment Closing Date until the Term Loan is fully repaid at a fixed per annum rate of interest equal to 10.90%. All computations of interest and fees calculated on a per annum basis shall be made by Agent on the basis of a 360-day year, in each case for the actual number of days occurring in the period for which such interest and fees are payable. Each determination of an interest rate or the amount of a fee hereunder shall be made by Agent and shall be conclusive, binding and final for all purposes, absent manifest error.

6. Section 2.2(b) of the Loan Agreement is hereby amended by replacing clauses (i) and (ii) of such Section in their entirety with the following:

(i) Interest Payments. Borrower shall pay accrued interest to Agent, for the ratable benefit of the Lenders, in arrears on October 1, 2012 and on the first day of each calendar month occurring thereafter (including October 1, 2012, each, a "Scheduled Payment Date").

(ii) Principal Payments. Borrower shall pay principal to Agent, for the ratable benefit of the Lenders, in twenty-seven (27) equal consecutive payments of $347,222.22 on each Scheduled Payment Date occurring on or after April 1, 2013, and one final payment, in an amount equal to the entire remaining principal balance of the Term Loan, on June 15, 2015.

7. Section 2.3(b)(iii) of the Loan Agreement is hereby amended by replacing the term "June 30, 2015" in the first sentence thereof with "June 15, 2015".

8. Section 2.3(b)(iii) of the Loan Agreement is hereby further amended by replacing the schedule at the end thereof with the schedule attached as Schedule III to this Amendment.

9. Section 2.3(c) of the Loan Agreement is hereby amended by replacing the first paragraph of such Section in its entirety with the following:

(c) Prepayment Obligation. Upon the date of any prepayment of the Term Loan permitted or required under this Agreement, Borrower shall pay to Agent, for the ratable benefit of the Lenders, a sum equal to (i) the outstanding principal amount of the Term Loan being prepaid and all accrued interest thereon, plus (ii) to the extent that the Term Loan is prepaid in full, the Final Payment Fee, plus (iii) subject to the final sentence of this clause (c), the Prepayment Premium as yield maintenance for the loss of a bargain and not as a penalty. The "Prepayment Premium" shall mean, with respect to any Term Loan being prepaid, an amount equal to (A) 3% of the principal amount of such Term Loan being prepaid, if such prepayment is made on or before the one year anniversary of the First Amendment Closing Date, (B) 2% of the principal amount of such Term Loan being prepaid, if such prepayment is made after the one year anniversary of the First Amendment Closing Date but on or before the two year anniversary of the First Amendment Closing Date, and (C) 1% of the principal amount of such Term Loan being prepaid, if such prepayment is made after the two year anniversary of the First Amendment Closing Date but before the Scheduled Maturity Date.

10. Section 2.6(a) of the Loan Agreement is hereby amended by adding the following sentence to the end of such Section:

For the avoidance of doubt, no additional closing fee will be payable on the First Amendment Closing Date in connection with the making of the Additional Term Loan.

11. Section 2.6(b) of the Loan Agreement is hereby amended by replacing such Section in its entirety with the following:

(b) Final Payment Fee. On the date upon which the outstanding principal amount of the Term Loan is repaid in full, or if earlier, is required to be repaid in full (whether by scheduled payment, voluntary prepayment, acceleration of the Obligations pursuant to Section 8.2 or otherwise), Borrower shall pay to Agent, for the ratable accounts of Lenders, a fee equal to $875,000 (the "Final Payment Fee"), which Final Payment Fee shall be deemed to be fully-earned on the First Amendment Closing Date.

12. Section 2.8 of the Loan Agreement is hereby amended by replacing such Section in its entirety with the following:

2.8 **Authorization and Issuance of the Warrants**. Parent has duly authorized the issuance to Lenders (or their respective affiliates or designees) of stock purchase warrants substantially in the form of the warrant attached hereto as Exhibit E (collectively, the "Warrants") evidencing Lenders' (or their respective affiliates or designees) right to acquire their respective Pro Rata Share of (i) on the Closing Date, up to 263,158 common shares of Parent at an exercise price of $1.14 per share. and (ii) on the First Amendment Closing Date, up to 39,346 common shares of Parent at an exercise price of $3.54 per share. The exercise period shall expire five (5) years from the date such Warrants are issued.

13. Section 4.1 of the Loan Agreement is hereby amended by deleting the phrase "Term Loan" in the first paragraph thereof and replacing such phrase with "Existing Term Loan".

14. Section 4.1(m) of the Loan Agreement is hereby amended by replacing such Section in its entirety with the following:

(m) one or more completed perfection certificates from each Loan Party, duly executed by such Loan Party (each and collectively with the perfection certificates delivered on the First Amendment Closing Date, the "Perfection Certificate"), a form of which Agent previously delivered to Borrower;

15. Section 4.1(v) of the Loan Agreement is hereby amended by inserting the following parenthetical clause after the phrase "from time to time in connection with this Agreement" in such Section:

(including, without limitation, all documents executed in connection with the First Amendment (as defined herein))

16. Article 4 of the Loan Agreement is hereby amended by adding the following as Section 4.2 thereto:

4.2 **Conditions Precedent to Additional Term Loan**. No Lender shall be obligated to make its Pro Rata Share of the Additional Term Loan, or to take, fulfill, or perform any other action hereunder, until (i) the following have been delivered to Agent (the date on which the Lenders make the Additional Term Loan after all such conditions shall have been satisfied in a manner satisfactory to Agent and the Lenders or waived in accordance with this Agreement, the "First Amendment Closing Date"):

(a) a counterpart of the First Amendment to this Agreement (the "First Amendment") duly executed by each Loan Party, each Lender and Agent;

(b) a counterpart of the Omnibus Reaffirmation Agreement, dated as of the date hereof (the "Reaffirmation Agreement");

(c) each of the items listed in Section 4.1(b), (c), (d) (solely with respect to XOMA Technology), (h), (i), (l), (m), (r) (to the extent not delivered on or prior to the First Amendment Closing Date) and (t);

(d) a certificate executed by the Secretary of Parent meeting the requirements of Section 4.1(b);

(e) current lien, judgment, bankruptcy and tax lien search results (including equivalent Irish searches with respect to XOMA Ireland and Bermuda searches with respect to XOMA Technology) demonstrating that there are no other Liens (as defined below) on the Collateral, other than Liens in favor of Agent, on behalf of itself and Lenders and Permitted Liens (as defined below);

(f) copies of all documents necessary or reasonably required by the Agent to maintain the effectiveness and perfection of the Liens granted in favor of Agent, on behalf of itself and Lenders under the Loan Documents, including, without limitation (i) Amendment Agreements with respect to the Debentures delivered pursuant to Section 4.1(p) and (ii) Deeds of Confirmation with respect to the documents delivered pursuant to Section 4.1(q)(i) and (ii); and

(g) all other documents and instruments as Agent or any Lender may reasonably deem necessary or appropriate to effectuate the intent and purpose of this Agreement.

(ii) Agent and Lenders shall have received the fees required to be paid by Borrower, and Borrower shall have reimbursed Agent and Lenders for all of their fees, costs and expenses (subject to the terms of the First Amendment) for which an invoice has been presented at least one Business Day prior to the First Amendment Closing Date; and

(iii) (a) all representations and warranties in Section 5 below shall be true as of the date of the making of the Additional Term Loan; (b) no Default or Event of Default has occurred and is continuing or would result from the making of the Additional Term Loan; and (c) Agent shall have received a certificate from an authorized officer of each Loan Party confirming each of the foregoing.

17. Section 5.2 of the Loan Agreement is hereby amended by replacing such Section in its entirety with the following:

5.2 **Required Consents**. No filing, registration, qualification with, or approval, consent or withholding of objections from, any governmental authority or instrumentality or any other entity or person is required with respect to the entry into, or performance by any Loan Party of, any of the Transaction Documents, except any obtained on or before the First Amendment Closing Date.

18. Sections 5.3, 5.6, 5.9, 5.13(d) and 5.14 of the Loan Agreement are hereby amended by deleting each instance of the phrase "Closing Date" in such Section and replacing such phrase with "First Amendment Closing Date".

19. Section 7.4 of the Loan Agreement is hereby amended by replacing the second sentence thereto in its entirety with the following:

> The term "Parent Redomestication" means the occurrence after the Closing Date and prior to the First Amendment Closing Date of the (i) conversion of Parent to a Delaware corporation pursuant to the provisions of Section 388 of the Delaware General Corporation Law, (ii) discontinuance of Parent's registration in Bermuda pursuant to the provisions of Sections 132G and 132H of the Companies Act 1981 of Bermuda and (iii) any exchange of shares in the capital of Parent registered as a Bermuda exempted company for capital stock in Parent organized as a Delaware corporation on a one-for-one basis to the extent necessary to give effect to such conversion.

20. The Loan Agreement is amended by replacing Schedule A to the Loan Agreement in its entirety withSchedule I to this Amendment.

21. The Loan Agreement is amended by replacing Schedule B to the Loan Agreement in its entirety withSchedule II to this Amendment.

B. ACCRUED EXISTING FINAL PAYMENT FEE

Notwithstanding anything to the contrary in the Existing Loan Agreement, and in consideration for Agent and Lenders' agreement to enter into this Amendment and to extend the Additional Term Loan (on the terms and conditions herein), the Borrower agrees to pay a portion of the Final Payment Fee (as defined in the Existing Loan Agreement) in an amount equal to $191,283.29 (the "***Accrued Existing Final Payment Fee***") on the date on which each of the conditions in Section C below has been satisfied. Borrower shall not be required to pay any other portion of the Final Payment Fee (as defined in the Existing Loan Agreement) but shall be required to pay the Final Payment Fee (as defined in the Loan Agreement as amended by this Amendment) on the terms set forth in the Loan Agreement as amended by this Amendment. For the avoidance of doubt, no Prepayment Premium is owing to Agent or Lenders with respect to the payment of this Accrued Existing Final Payment Fee and this Amendment.

C. CONDITIONS TO EFFECTIVENESS

Notwithstanding any other provision of this Amendment and without affecting in any manner the rights of the Lenders hereunder, it is understood and agreed that this Amendment shall not become effective, and the Borrower shall have no rights under this Amendment, until Agent shall have received:

(i) reimbursement or payment of its costs and expenses incurred in connection with this Amendment or the Loan Agreement (including reasonable fees, charges and disbursements of counsel to the Agent subject to Section E-7 of this Amendment);

(ii) payment in full of the Accrued Existing Final Payment Fee; and

(iii) each of the documents required to be delivered pursuant to Section 4.2 of the Loan Agreement.

D. REPRESENTATIONS

To induce the Lenders and Agent to enter into this Amendment, each Loan Party hereby represents and warrants to the Lenders and the Agent that:

1. The execution, delivery and performance by such Loan Party of this Amendment (a) are within each Loan Party's corporate or limited liability company power; (b) have been duly authorized by all necessary corporate, limited liability company and/or shareholder action, as applicable; (c) are not in contravention of any provision of any Loan Party's certificate of incorporation or formation, or bylaws or other organizational documents; (d) do not violate any law or regulation, or any order or decree of any Governmental Authority; (e) do not conflict with or result in the breach or termination of, constitute a default under or accelerate any performance required by, any indenture, mortgage, deed of trust, lease, agreement or other instrument to which any Loan Party or any of its Subsidiaries is a party or by which any Loan Party or any such Subsidiary or any of their respective property is bound; (f) do not result in the creation or imposition of any Lien upon any of the property of any Loan Party or any of its Subsidiaries (except Liens granted to Agent, on behalf of the Lenders pursuant to the terms of the Transaction Documents, as amended); and (g) do not require the consent or approval of any Governmental Authority or any other person;

2. This Amendment has been duly executed and delivered for the benefit of or on behalf of each Loan Party and constitutes a legal, valid and binding obligation of each Loan Party, enforceable against such Loan Party in accordance with its terms except as the enforceability hereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights and remedies in general; and

3. After giving effect to this Amendment, the representations and warranties contained in the Loan Agreement and the other Transaction Documents are true and correct in all material respects, and no Default or Event of Default has occurred and is continuing as of the date hereof.

E. OTHER AGREEMENTS

1. Post-Closing Covenants. Each Loan Party hereby covenants and agrees to the Agent and the Lenders that:

(a) an Access Agreement signed by Clinical Supplies Management with respect to its warehouse at 342 42nd Street South, Fargo, North Dakota shall be delivered to Agent no later than November 26, 2012 (or such later date to which the Agent agrees in writing);

(b) all property of the Loan Parties shall be removed from the warehouse facility of Althea Technology Inc. located at 11040 Roselle Street, San Diego, California no later than December 26, 2012 (or such later date to which the Agent agrees in writing); and

(c) evidence that an amendment to the UCC financing statement filed with the Delaware Department of State on August 17, 2012 naming Dell Financial Services L.L.C. as Secured Party and the Borrower as Debtor, in form and substance reasonably satisfactory to Agent, has been filed with the Delaware Department of State no later than October 27, 2012 (or such later date to which the Agent agrees in writing).

2 . Continuing Effectiveness of Transaction Documents. As amended hereby, all terms of the Loan Agreement and the other Transaction Documents shall be and remain in full force and effect and shall constitute the legal, valid, binding and enforceable obligations of the Loan Parties party thereto. To the extent any terms and conditions in any of the other Transaction Documents shall contradict or be in conflict with any terms or conditions of the Loan Agreement, after giving effect to this Amendment, such terms and conditions are hereby deemed modified and amended accordingly to reflect the terms and conditions of the Loan Agreement as modified and amended hereby. Upon the effectiveness of this Amendment such terms and conditions are hereby deemed modified and amended accordingly to reflect the terms and conditions of the Loan Agreement as modified and amended hereby.

3. Acknowledgment of Perfection of Security Interest. Each Loan Party hereby acknowledges that, as of the date hereof, the security interests and liens granted to Agent and the Lenders under the Loan Agreement and the other Transaction Documents are (i) in full force and effect, (ii) are properly perfected and (iii) are enforceable, in each case in accordance with the terms of the Loan Agreement and the other Transaction Documents.

4. Effect of Agreement. Except as set forth expressly herein, all terms of the Loan Agreement, as amended hereby, and the other Transaction Documents shall be and remain in full force and effect and shall constitute the legal, valid, binding and enforceable obligations of the Borrower to the Lenders and Agent. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Lenders under the Loan Agreement, nor constitute a waiver of any provision of the Loan Agreement. This Amendment shall constitute a Transaction Document for all purposes of the Loan Agreement.

5. Governing Law. This Amendment shall be governed by, and construed in accordance with, the internal laws of the State of New York and all applicable federal laws of the United States of America.

6. No Novation. This Amendment is not intended by the parties to be, and shall not be construed to be, a novation of the Loan Agreement and the other Transaction Documents or an accord and satisfaction in regard thereto.

7. Costs and Expenses. Borrower agrees to pay on demand all costs and expenses of Agent in connection with the preparation, execution and delivery of this Amendment, including, without limitation, the reasonable fees and out-of-pocket expenses of outside counsel for Agent with respect thereto; provided, however, that Agent's and Lenders' legal fees (excluding out-of-pocket costs) incurred in connection with this Amendment prior to and through the First Amendment Closing Date shall not exceed $75,000.

8. Counterparts. This Amendment may be executed by one or more of the parties hereto in any number of separate counterparts, each of which shall be deemed an original and all of which, taken together, shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of this Amendment by facsimile transmission or electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.

9. Binding Nature. This Amendment shall be binding upon and inure to the benefit of the parties hereto, their respective successors, successors-in-titles, and assigns. No third party beneficiaries are intended in connection with this Amendment.

10. Entire Understanding. This Amendment sets forth the entire understanding of the parties with respect to the matters set forth herein, and shall supersede any prior negotiations or agreements, whether written or oral, with respect thereto.

11. Release. Each Loan Party hereby releases, acquits, and forever discharges Agent and each of the Lenders, and each and every past and present subsidiary, affiliate, stockholder, officer, director, agent, servant, employee, representative, and attorney of Agent and the Lenders, from any and all claims, causes of action, suits, debts, liens, obligations, liabilities, demands, losses, costs and expenses (including reasonable attorneys' fees) of any kind, character, or nature whatsoever, known or unknown, fixed or contingent, which such Loan Party may have or claim to have now or which may hereafter arise out of or connected with any act of commission or omission of Agent or the Lenders existing or occurring prior to the date of this Amendment or any instrument executed prior to the date of this Amendment including, without limitation, any claims, liabilities or obligations arising with respect to the Loan Agreement or the other of the Transaction Documents, other than claims, liabilities or obligations to the extent caused by Agent's or any Lender's own gross negligence or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction. The provisions of this paragraph shall be binding upon each Loan Party and shall inure to the benefit of Agent, the Lenders, and their respective heirs, executors, administrators, successors and assigns.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, this Amendment has been duly executed as of the date first written above.

XOMA (US) LLC, as Borrower

By: /s/ Fred Kurland
Name: Fred Kurland
Title: Vice President, Finance and Chief Financial Officer

XOMA CORPORATION, as a Loan Party

By: /s/ Fred Kurland
Name: Fred Kurland
Title: Vice President, Finance and Chief Financial Officer

XOMA TECHNOLOGY LTD., as a Loan Party

By: /s/ Fred Kurland
Name: Fred Kurland
Title: Vice President, Finance and Chief Financial Officer

XOMA IRELAND LIMITED, as a Loan Party
by its authorized signatory

By: /s/ Fred Kurland
Name: Fred Kurland
Title: Authorized Signatory

[Signature Page to First Amendment to XOMA Loan Agreement]

GENERAL ELECTRIC CAPITAL CORPORATION, as Agent and Lender

By: /s/ Alan M. Silbert
Name: Alan M. Silbert
Title: Duly Authorized Signatory

[Signature Page to First Amendment to XOMA Loan Agreement]