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

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**FORM S-8**  
**REGISTRATION STATEMENT**  
*UNDER*  
*THE SECURITIES ACT OF 1933*

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**XOMA CORPORATION**

(Exact name of registrant as specified in its charter)

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Delaware  
(State or other jurisdiction of  
incorporation or organization)

52-2154066  
(I.R.S. Employer  
Identification Number)

2200 Powell Street, Suite 310  
Emeryville, California 94608  
(Addresses of Principal Executive Offices including Zip Code)

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**Non-Plan Inducement Stock Option Grants**  
(Full title of the plans)

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**Thomas Burns**  
Senior Vice President, Finance and Chief Financial Officer  
XOMA Corporation  
2200 Powell Street, Suite 310  
Emeryville, California 94608  
(510) 204-7200  
(Name and address of agent for service) (Telephone number, including area code, of agent for service)

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*Copies to:*

**John T. McKenna**  
Cooley LLP  
3175 Hanover Street  
Palo Alto, California 94306  
(650) 843-5000

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, anon-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer   
Non-accelerated filer

Accelerated filer   
Smaller reporting company   
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

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## EXPLANATORY NOTE

XOMA Corporation is filing this Registration Statement on Form S-8 for the purpose of registering an aggregate of 725,000 shares of its common stock (“Common Stock”), comprised of:

- 100,000 shares of Common Stock issuable upon the exercise of a non-qualified stock option with an exercise price of \$18.66 per share, granted to Owen Hughes on January 3, 2023, as an inducement for accepting employment with us;
- 75,000 shares of Common Stock issuable upon the exercise of a non-qualified stock option with an exercise price of \$30.00 per share, granted to Owen Hughes on January 3, 2023, as an inducement for accepting employment with us;
- 300,000 shares of Common Stock issuable upon the exercise of a non-qualified stock option with an exercise price of \$18.66 per share, granted to Bradley Sitko on January 3, 2023, as an inducement for accepting employment with us; and
- 250,000 shares of Common Stock issuable upon the exercise of a non-qualified stock option with an exercise price of \$30.00 per share, granted to Bradley Sitko on January 3, 2023, as an inducement for accepting employment with us.

The above non-qualified stock options were granted outside of our Amended and Restated Long Term Incentive and Stock Award Plan, were approved by our Board of Directors, and were issued pursuant to the “inducement” grant exception under Nasdaq Rule 5635(c)(4).

In accordance with the instructional note to Part I of Form S-8 as promulgated by the Securities and Exchange Commission (the “Commission”), the information specified by Part I of Form S-8 has been omitted from this Registration Statement on Form S-8.

## PART II INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

### Item 3. Incorporation of Documents by Reference.

The following documents filed by us with the Commission are incorporated by reference into this Registration Statement:

- Our Annual Report on [Form 10-K](#) for the year ended December 31, 2021, filed with the Commission on March 8, 2022;
- Our Quarterly Reports on Form 10-Q for the quarterly period ended March 31, 2022, filed with the Commission on [May 5, 2022](#), for the quarterly period ended June 30, 2022, filed with the Commission on [August 4, 2022](#), and for the quarterly period ended September 30, 2022, filed with the Commission on [November 3, 2022](#);
- Our Current Reports on Form 8-K, filed with the Commission on [January 31, 2022](#), [April 5, 2022](#), [May 19, 2022](#), [September 29, 2022](#), [October 28, 2022](#), [November 22, 2022](#) and [January 4, 2023](#);
- The information specifically incorporated by reference into our 2021 Annual Report on Form 10-K referred to above from our definitive proxy statement relating to our 2022 annual meeting of stockholders, filed with the Commission on [April 7, 2022](#); and
- The description of our Common Stock included under the caption “Description of Capital Stock” in the prospectus dated December 16, 2011, which was filed on December 19, 2011, and is part of our registration statement on [Form S-4/A](#) filed on December 13, 2011 (File No. 333-177165), including any amendment or report for the purpose of updating such description.

All reports and other documents filed by us pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), other than Current Reports furnished under Item 2.02 or Item 7.01 of Form 8-K and exhibits furnished on such form that relate to such items, after the date of this Registration Statement and prior to the filing of a post-effective amendment which indicates that all securities offered hereby have been sold or which deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference herein and to be a part of this Registration Statement from the date of filing such reports and documents. Any statement contained in a document incorporated or deemed to be incorporated herein by reference shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes that statement. Any such statement so modified or superseded shall not constitute a part of this Registration Statement, except as so modified or superseded.

**Item 4. Description of Securities.**

Not applicable.

**Item 5. Interests of Named Experts and Counsel.**

Not applicable.

**Item 6. Indemnification of Directors and Officers.**

Under Section 145 of the Delaware General Corporation Law, we have broad powers to indemnify our directors and officers against liabilities we may incur in such capacities, including liabilities under the Securities Act. Our by-laws require us to indemnify our officers, directors and employees to the fullest extent permitted by Delaware law.

We have entered into indemnity agreements with each of our directors and executive officers. Such indemnity agreements contain provisions which are in some respects broader than the specific indemnification provisions contained in Delaware law.

In addition, our certificate of incorporation (including applicable certificates of amendment, correction and designation) provides that to the fullest extent permitted by Delaware law, our directors shall not be liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director, including (without limitation) with regard to any actions taken or omitted as a director.

**Item 7. Exemption from Registration Claimed.**

Not applicable.

**Item 8. Exhibits.**

Exhibit Number	Exhibit Description	Incorporation By Reference			
		Form	SEC File No.	Exhibit	Filing Date
4.1	<a href="#">Certificate of Incorporation of XOMA Corporation</a>	8-K	000-14710	3.1	01/03/2012
4.2	<a href="#">Certificate of Amendment of Certificate of Incorporation of XOMA Corporation</a>	8-K	000-14710	3.1	05/31/2012
4.3	<a href="#">Certificate of Amendment of Certificate of Incorporation of XOMA Corporation</a>	8-K	000-14710	3.1	05/28/2014
4.4	<a href="#">Certificate of Amendment to the Amended Certificate of Incorporation of XOMA Corporation</a>	8-K	000-14710	3.1	10/18/2016
4.5	<a href="#">Certificate of Designation of Preferences, Rights and Limitations of Series X Convertible Preferred Stock</a>	8-K	000-14710	3.1	02/16/2017
4.6	<a href="#">Certificate of Designation of Preferences, Rights and Limitations of 8.625% Series A Cumulative Perpetual Preferred Stock</a>	8-K	000-14710	3.1	12/11/2020
4.7	<a href="#">Certificate of Designation of Preferences, Rights and Limitations of 8.375% Series B Cumulative Perpetual Preferred Stock</a>	8-K	000-39801	3.1	04/08/2021

4.8	<a href="#">Certificate of Correction of the Certificate of Designation of 8.375% Series B Cumulative Perpetual Preferred Stock dated June 9, 2021</a>	10-Q	000-39801	3.8	08/05/2021
4.9	<a href="#">Certificate of Amendment to the Certificate of Designation of 8.375% Series B Cumulative Perpetual Preferred Stock of XOMA Corporation</a>	8-K	000-39801	3.1	08/05/2021
4.10	<a href="#">By-laws of XOMA Corporation</a>	8-K	000-14710	3.2	01/03/2012
4.11	<a href="#">Specimen Common Stock Certificate</a>	8-K	000-14710	4.1	01/03/2012
5.1*	<a href="#">Opinion of Cooley LLP</a>				
23.1*	<a href="#">Consent of Deloitte &amp; Touche LLP, independent registered public accounting firm</a>				
23.2*	<a href="#">Consent of Cooley LLP (included in Exhibit 5.1)</a>				
24.1*	<a href="#">Power of Attorney (see the signature page hereto)</a>				
99.1	<a href="#">XOMA Corporation Amended and Restated 2010 Long Term Incentive and Stock Award Plan</a>	DEF 14A	001-39801	Appendix A	04/07/2022
99.2*	<a href="#">Inducement Stock Option Agreement, by and between XOMA Corporation and Owen Hughes</a>				
99.3*	<a href="#">Inducement Stock Option Agreement, by and between XOMA Corporation and Owen Hughes</a>				
99.4*	<a href="#">Inducement Stock Option Agreement, by and between XOMA Corporation and Bradley Sitko</a>				
99.5*	<a href="#">Inducement Stock Option Agreement, by and between XOMA Corporation and Bradley Sitko</a>				
107*	<a href="#">Filing Fee Table</a>				

\* Filed herewith.

**Item 9. Undertakings.**

1. The undersigned registrant hereby undertakes:

- (a) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:
  - i. To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933, as amended (the "Securities Act");
  - ii. To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement.
  - iii. To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

*Provided, however,* that paragraphs (a)(i) and (a)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in the Registration Statement.

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- (b) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
  - (c) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
2. The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
  3. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

## SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Emeryville, State of California, on January 30, 2023.

### XOMA CORPORATION

By: /s/ OWEN HUGHES

Owen Hughes  
*Executive Chairman of the Board of Directors  
and Interim Chief Executive Officer*

### POWER OF ATTORNEY

**KNOW ALL PERSONS BY THESE PRESENT**, that each person whose signature appears below constitutes and appoints Owen Hughes and Thomas Burns, and each of them, his or her true and lawful attorneys-in-fact and agents, each with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in order to effectuate the same as fully, to all intents and purposes, as he or she might or could do in person, hereby ratifying and confirming all that each of said attorneys-in-fact and agents, or any of them, or their or his substitutes or substitute may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act, this Registration Statement has been signed by the following persons in the capacities and on the date indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ OWEN HUGHES</u> Owen Hughes	Executive Chairman of the Board of Directors and Interim Chief Executive Officer <i>(Principal Executive Officer)</i>	January 30, 2023
<u>/s/ THOMAS BURNS</u> Thomas Burns	Senior Vice President, Finance and Chief Financial Officer <i>(Principal Accounting and Financial Officer)</i>	January 30, 2023
<u>/s/ HEATHER L. FRANKLIN</u> Heather L. Franklin	Director	January 30, 2023
<u>/s/ NATASHA HERNDAY</u> Natasha Hernday	Director	January 30, 2023
<u>/s/ BARBARA KOSACZ</u> Barbara Kosacz	Director	January 30, 2023
<u>/s/ JOSEPH M. LIMBER</u> Joseph M. Limber	Director	January 30, 2023
<u>/s/ MATTHEW PERRY</u> Matthew Perry	Director	January 30, 2023
<u>/s/ W. DENMAN VAN NESS</u> W. Denman Van Ness	Director	January 30, 2023
<u>/s/ JACK L. WYSZOMIERSKI</u> Jack L. Wyszomierski	Director	January 30, 2023



John T. McKenna  
+1 650 843 5059  
jmckenna@cooley.com

January 30, 2023

XOMA Corporation  
2200 Powell St., Suite 310  
Emeryville, CA 94068

Ladies and Gentlemen:

We have acted as counsel to XOMA Corporation, a Delaware corporation (the "*Company*"), in connection with the filing of a registration statement on Form S-8 (the "*Registration Statement*") with the Securities and Exchange Commission covering the offering of up to 725,000 shares (the "*Shares*") of the Company's Common Stock, par value \$0.0075 per share ("*Common Stock*") issuable upon the exercise of stock options granted as inducement awards by the Company (collectively, the "*Inducement Awards*").

In connection with this opinion, we have examined and relied upon (a) the Registration Statement and related prospectus, (b) the documents evidencing the Inducement Awards, (c) the Company's certificate of incorporation, including applicable certificates of amendment, correction and designation, and by-laws, each as currently in effect and (d) originals or copies certified to our satisfaction of such other records, documents, certificates, memoranda and other instruments as in our judgment are necessary or appropriate to enable us to render the opinion expressed below. We have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to originals of all documents submitted to us as copies, the accuracy, completeness and authenticity of certificates of public officials and the due authorization, execution and delivery of all documents by all persons other than the Company where authorization, execution and delivery are prerequisites to the effectiveness thereof. As to certain factual matters, we have relied upon a certificate of an officer of the Company and have not independently verified such matters.

Our opinion is expressed only with respect to the General Corporation Law of the State of Delaware. We express no opinion to the extent that any other laws are applicable to the subject matter hereof and express no opinion and provide no assurance as to compliance with any federal or state securities law, rule or regulation.

On the basis of the foregoing, and in reliance thereon, we are of the opinion that the Shares, when sold and issued in accordance with the terms of the Inducement Awards, the Registration Statement and related prospectus, will be validly issued, fully paid, and nonassessable (except as to shares issued pursuant to deferred payment arrangements, which will be fully paid and nonassessable when such deferred payments are made in full). In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act of 1933, as amended, or the rules and regulations of the Securities and Exchange Commission thereunder.

Cooley LLP 3175 Hanover Street Palo Alto, CA 94304-1130  
t: (650) 843-5000 f: (650) 849-7400 cooley.com



XOMA Corporation  
January 30, 2023  
Page Two

We consent to the filing of this opinion as an exhibit to the Registration Statement. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act of 1933, as amended, or the rules and regulations of the Securities and Exchange Commission thereunder.

Sincerely,

Cooley LLP

By: /s/ John T. McKenna  
John T. McKenna

Cooley LLP 3175 Hanover Street Palo Alto, CA 94304-1130  
t: (650) 843-5000 f: (650) 849-7400 cooley.com



**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the incorporation by reference in this Registration Statement on FormS-8 of our report dated March 8, 2022 relating to the financial statements of XOMA Corporation appearing in the Annual Report on Form 10-K of XOMA Corporation for the year ended December 31, 2021.

*/s/ DELOITTE & TOUCHE LLP*

San Francisco, California  
January 30, 2023

**Stock Option Agreement**  
**XOMA Corporation**  
**Inducement Grant Outside of the Amended and Restated 2010 Long Term Incentive**  
**and Stock Award Plan**

(A) **Optionee:** OWEN HUGHES  
 [\*\*\*]  
 [\*\*\*]

**Employee ID:** 200117

(B) **Grant Date:** January 03, 2023

(C) **Shares:** 100,000

(D) **Share Installments:**

VESTING DATE	SHARES VESTING	VEST TYPE
December 31, 2023	100,000	Quarterly

(E) **Option Number:** 007393

(F) **Expiration Date:** January 03, 2033

(G) **Exercise Price:** US \$18.66

(H) **Option Type:** Non-Qualified Stock Option

XOMA Corporation has granted you an option to purchase the number of Shares shown in item (C) above (the “*Optioned Shares*”) at the Exercise Price per share shown in item (G) above. This option is granted outside of, but subject to the terms and conditions of, the Company’s Amended and Restated 2010 Long Term Incentive and Stock Award Plan (the “*Plan*”), the terms of which are incorporated herein by reference, and to the terms and conditions set forth in this Stock Option Agreement (this “*Agreement*”), as a material inducement to you entering into employment with the Company in compliance with Nasdaq Listing Rule 5635(c)(4), and effective as of the Grant Date in item (B) above. The shares of Common Stock (the “*Common Stock*”) underlying this option shall not reduce and shall have no impact on the number of shares available for grant under the Plan. Item (H) above indicates this is a non-qualified stock option, as such it is not entitled to special tax treatment under Section 422 of the U.S. Internal Revenue Code of 1986, as amended (the “*Code*”). Capitalized terms used but not defined herein shall have the meanings given to them in the Plan.

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The details of your option are as follows:

1. **Term.** The term of this option commences on the Grant Date shown in item (B) above and, subject to the terms and conditions of your Employment Agreement (the "**Employment Agreement**"), and except as provided in Section 4 hereof, expires at the close of business on the Expiration Date shown in item (F) above, which is Ten (10) years from the Grant Date. Upon the Expiration Date or upon the sooner termination of this option under Section 4, this option will cease to be exercisable and have no further force or effect whatsoever.

2. **Transferability.** This non-qualified stock option may be transferred or assigned by you to your spouse or descendent (any such spouse or descendent, your "**Immediate Family Member**") or a corporation, partnership, limited liability company or trust so long as all of the stockholders, partners, members or beneficiaries thereof, as the case may be, are either you or your Immediate Family Member, provided that (i) there may be no consideration for any such transfer and (ii) subsequent transfers of the transferred option will be prohibited other than by will or the laws of descent and distribution. Following transfer, the option will continue to be subject to the same terms and conditions as were applicable immediately prior to transfer, provided that for purposes of this Agreement any references to "you" will refer to the transferee. The events of Termination of Service will continue to be applied with respect to you, following which the option will be exercisable by the transferee only to the extent, and for the periods specified, in this Agreement.

3. **Exercise Schedule.** The option granted herein is or will become exercisable as set forth in the Exercise Schedule attached to this Agreement.

4. **Effect of Termination of Service**

a. If your Termination of Service occurs at any time during the option term for any reason other than as provided in your Employment Agreement or Subsections (b), (c), (d) or (e) below, then the period for exercising this option will be limited to the three-month period commencing with the date of your Termination of Service; provided that in no event will this option be exercisable at any time after the Expiration Date. During any such limited period of exercisability, this option may not be exercised for more than the number of Optioned Shares (if any) for which it is exercisable at the date of your Termination of Service. Upon the expiration of any such limited period of exercisability or (if earlier) upon the Expiration Date, this option will terminate and cease to be outstanding.

b. If your Termination of Service is due to your death at a time when the option remains outstanding, then this option will become fully exercisable on the date of death even if the option was not fully exercisable prior to death, and will remain exercisable for a twelve-month period following the date of death; provided that in no event shall this option be exercisable at any time after the Expiration Date. Upon the expiration of such twelve-month period or (if earlier) upon the Expiration Date, this option will terminate and cease to be outstanding. Upon your death, the option will be exercisable by the personal representative of your estate or by the person or persons to whom the option is transferred pursuant to Section 2 above, provided any such exercise occurs prior to the earlier of (i) the expiration of the twelve- month period following the date of your death or (ii) the specified Expiration Date of the option term.

c. If you become permanently disabled and, by reason thereof your Termination of Service occurs at any time during the option term, then you will have a period of twelve months (commencing with the date of such Termination of Service) during which to exercise this option; provided, that in no event shall this option be exercisable at any time after the Expiration Date. During such limited period of exercisability, this option may not be exercised for more than the number of Optioned Shares (if any) for which this option is exercisable at the date of your Termination of Service. Upon the expiration of such

limited period of exercisability or (if earlier) upon the Expiration Date, this option will terminate and cease to be outstanding. You will be deemed to be permanently disabled if you are, by reason of any medically determinable physical or mental impairment expected to result in death or to be of continuous duration of not less than twelve (12) consecutive months or more, unable to perform your usual duties for the Company or its Subsidiaries.

d. If you retire at or after age fifty-five (55) and the sum of your age on the date of retirement plus years of full-time employment or consultancy with the Company exceeds seventy (70) ("**Retirement**") and if by reason thereof your Termination of Service occurs at any time during the option term, then this option will become fully exercisable as of the date of Retirement (even if the option was not fully exercisable prior to Retirement) and will remain exercisable for the full option term until the Expiration Date as if you had not incurred a Termination of Service. On the Expiration Date, the option will terminate and cease to be outstanding.

e. Should (i) your Termination of Service occur for cause (including, but not limited to, any act of dishonesty, willful misconduct, fraud, embezzlement or theft, any unauthorized disclosure or use of confidential information or trade secrets or, if you have an employment or consulting agreement with the Company, termination thereunder "for cause" (or any similar concept) as provided in such agreement), or (ii) you make or attempt to make any unauthorized use or disclosure of confidential information or trade secrets of the Company or its Subsidiaries, then in any such event this option will terminate and cease to be exercisable immediately upon the date of such Termination of Service or such unauthorized use or disclosure of confidential or secret information or attempt thereat.

5. **Privilege of Share Ownership.** The holder of this option will not have any rights of a stockholder with respect to the Optioned Shares until such individual has exercised the option, paid the Exercise Price and been issued a certificate for, or had his or her securities account credited with, the purchased Shares.

6. **Manner of Exercising Option.**

a. In order to exercise this option with respect to all or any part of the Optioned Shares for which this option is at the time exercisable, you (or in the case of exercise after your death, your executor, administrator, heir, legatee or transferee as the case may be) must take the following actions:

i. Provide the Secretary of the Company with written notice of such exercise, specifying the number of Optioned Shares with respect to which the option is being exercised.

ii. Pay the Exercise Price for the purchased Optioned Shares in one or more of the following alternative forms: (A) full payment in cash or by check payable to the Company's order; (B) full payment in Shares of the Company valued at Fair Market Value (as such term is defined in the Plan) on the exercise date; (C) full payment in combination of Shares of the Company valued at Fair Market Value on the exercise date and cash or check payable to the Company's order; or (D) payment effected through a broker-dealer sale and remittance procedure pursuant to which you (I) will provide irrevocable written instructions to the designated broker-dealer to effect the immediate sale of the purchased Shares and remit to the Company, out of the sale proceeds, an amount equal to the aggregate Exercise Price payable for the purchased Shares plus all applicable Federal and State income and employment taxes required to be withheld by the Company by reason of such purchase and (II) will provide written directives to the Company to deliver the certificates for the purchased Shares directly to such broker-dealer.

iii. Furnish to the Company appropriate documentation that the person or persons exercising the option, if other than you, have the right to exercise this option.

b. In no event may this option be exercised for any fractional share.

**7. Compliance with Laws and Regulations.**

a. The exercise of this option and the issuance of Optioned Shares upon such exercise will be subject to compliance by the Company and by you with all applicable requirements of law relating thereto and with all applicable regulations of any stock exchange on which the Company's Shares may be listed at the time of such exercise and issuance.

b. In connection with the exercise of this option, you will execute and deliver to the Company such representations in writing as may be requested by the Company in order for it to comply with the applicable requirements of federal and state securities laws.

**8. Successors and Assigns.** Except to the extent otherwise provided in Section 2, the provisions of this Agreement will inure to the benefit of, and be binding upon your successors, administrators, heirs, legal representatives and assigns and the successors and assigns of the Company.

**9. Liability of the Company.** The inability of the Company to obtain approval from any regulatory body having authority deemed by the Company to be necessary to the lawful issuance and sale of any Shares pursuant to this option will relieve the Company of any liability in respect of the non-issuance or sale of such Shares as to which such approval will not have been obtained.

**10. No Employment or Consulting Contract; No Right to Nomination** If you are an employee of or consultant to the Company, nothing in this Agreement or in the Plan will confer upon you any right to continue in the employ or service of the Company for any period of time or interfere with or otherwise restrict in any way the rights of the Company (or any Subsidiary or Affiliate of the Company employing or retaining you) or you, which rights are hereby expressly reserved by each, to terminate your employee or consultant status as the case may be, at any time for any reason whatsoever, with or without cause. If you are a director, neither this Agreement nor any action taken hereunder will be construed as giving you any right to be nominated for re-election to the Board of Directors of the Company.

**11. Notices.** Any notice required to be given or delivered to the Company under the terms of this Agreement will be in writing and addressed to the Company in care of its Secretary at its principal offices. Any notice required to be given or delivered to you will be in writing and addressed to you at the address indicated below your signature line herein. All notices will be deemed to be given or delivered upon personal delivery or upon deposit in the U.S. mail, postage prepaid and properly addressed to the party to be notified.

**12. Construction.** This Agreement and the option evidenced hereby are in all respects limited by and subject to the express terms and provisions of the Plan. Any dispute regarding the interpretation of this Agreement will be submitted to the Committee for resolution. The decision of the Committee will be final, binding and conclusive. Questions regarding this option or the Plan should be referred to the Legal Department of the Company.

**13. Governing Law.** The interpretation, performance, and enforcement of this Agreement will be governed by the laws of Delaware.

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14. **Additional Terms Applicable to a Non-Qualified Stock Option**. As this is a non-qualified stock option, you hereby agree to make appropriate arrangements with the Company or Subsidiary thereof by which you are employed or retained for the satisfaction of all Federal, State or local income tax withholding requirements and Federal social security employee tax requirements applicable to the exercise of this option.

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**XOMA CORPORATION**

By: /s/ Thomas Burns  
Name: Thomas Burns  
Title: Chief Financial Officer  
Dated: January 4, 2023

I hereby agree to be bound by the terms and conditions of this Agreement and the Plan.

By: \_\_\_\_\_  
Name: Owen Hughes  
Dated:

If the optionee resides in California or another community property jurisdiction, I, as the optionee's spouse, also agree to be bound by the terms and conditions of this Agreement and the Plan.

By: \_\_\_\_\_  
Name:  
Dated:

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## Exercise Schedule



**Stock Option Agreement**  
**XOMA Corporation**  
**Inducement Grant Outside of the Amended and Restated 2010 Long Term Incentive**  
**and Stock Award Plan**

(A) **Optionee:** OWEN HUGHES  
 [\*\*\*]  
 [\*\*\*]

**Employee ID:** 200117

(B) **Grant Date:** January 03, 2023

(C) **Shares:** 75,000

(D) **Share Installments:**

VESTING DATE	SHARES VESTING	VEST TYPE
January 01, 2026	75,000	Monthly

(E) **Option Number:** 007394

(F) **Expiration Date:** January 03, 2033

(G) **Exercise Price:** US \$30.00

(H) **Option Type:** Non-Qualified Stock Option

XOMA Corporation has granted you an option to purchase the number of Shares shown in item (C) above (the "**Optioned Shares**") at the Exercise Price per share shown in item (G) above. This option is granted outside of, but subject to the terms and conditions of, the Company's Amended and Restated 2010 Long Term Incentive and Stock Award Plan (the "**Plan**"), the terms of which are incorporated herein by reference, and to the terms and conditions set forth in this Stock Option Agreement (this "**Agreement**"), as a material inducement to you entering into employment with the Company in compliance with Nasdaq Listing Rule 5635(c)(4), and effective as of the Grant Date in item (B) above. The shares of Common Stock (the "**Common Stock**") underlying this option shall not reduce and shall have no impact on the number of shares available for grant under the Plan. Item (H) above indicates this is a non-qualified stock option, as such it is not entitled to special tax treatment under Section 422 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"). Capitalized terms used but not defined herein shall have the meanings given to them in the Plan.

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The details of your option are as follows:

1. **Term.** The term of this option commences on the Grant Date shown in item (B) above and, subject to the terms and conditions of your Employment Agreement (the "*Employment Agreement*"), and except as provided in Section 4 hereof, expires at the close of business on the Expiration Date shown in item (F) above, which is Ten (10) years from the Grant Date. Upon the Expiration Date or upon the sooner termination of this option under Section 4, this option will cease to be exercisable and have no further force or effect whatsoever.

2. **Transferability.** This non-qualified stock option may be transferred or assigned by you to your spouse or descendent (any such spouse or descendent, your "*Immediate Family Member*") or a corporation, partnership, limited liability company or trust so long as all of the stockholders, partners, members or beneficiaries thereof, as the case may be, are either you or your Immediate Family Member, provided that (i) there may be no consideration for any such transfer and (ii) subsequent transfers of the transferred option will be prohibited other than by will or the laws of descent and distribution. Following transfer, the option will continue to be subject to the same terms and conditions as were applicable immediately prior to transfer, provided that for purposes of this Agreement any references to "you" will refer to the transferee. The events of Termination of Service will continue to be applied with respect to you, following which the option will be exercisable by the transferee only to the extent, and for the periods specified, in this Agreement.

3. **Exercise Schedule.** The option granted herein is or will become exercisable as set forth in the Exercise Schedule attached to this Agreement.

4. **Effect of Termination of Service**

a. If your Termination of Service occurs at any time during the option term for any reason other than as provided in your Employment Agreement or Subsections (b), (c), (d) or (e) below, then the period for exercising this option will be limited to the three-month period commencing with the date of your Termination of Service; provided that in no event will this option be exercisable at any time after the Expiration Date. During any such limited period of exercisability, this option may not be exercised for more than the number of Optioned Shares (if any) for which it is exercisable at the date of your Termination of Service. Upon the expiration of any such limited period of exercisability or (if earlier) upon the Expiration Date, this option will terminate and cease to be outstanding.

b. If your Termination of Service is due to your death at a time when the option remains outstanding, then this option will become fully exercisable on the date of death even if the option was not fully exercisable prior to death, and will remain exercisable for a twelve-month period following the date of death; provided that in no event shall this option be exercisable at any time after the Expiration Date. Upon the expiration of such twelve-month period or (if earlier) upon the Expiration Date, this option will terminate and cease to be outstanding. Upon your death, the option will be exercisable by the personal representative of your estate or by the person or persons to whom the option is transferred pursuant to Section 2 above, provided any such exercise occurs prior to the earlier of (i) the expiration of the twelve- month period following the date of your death or (ii) the specified Expiration Date of the option term.

c. If you become permanently disabled and, by reason thereof your Termination of Service occurs at any time during the option term, then you will have a period of twelve months (commencing with the date of such Termination of Service) during which to exercise this option; provided, that in no event shall this option be exercisable at any time after the Expiration Date. During such limited period of exercisability, this option may not be exercised for more than the number of Optioned Shares (if any) for which this option is exercisable at the date of your Termination of Service. Upon the expiration of such

limited period of exercisability or (if earlier) upon the Expiration Date, this option will terminate and cease to be outstanding. You will be deemed to be permanently disabled if you are, by reason of any medically determinable physical or mental impairment expected to result in death or to be of continuous duration of not less than twelve (12) consecutive months or more, unable to perform your usual duties for the Company or its Subsidiaries.

d. If you retire at or after age fifty-five (55) and the sum of your age on the date of retirement plus years of full-time employment or consultancy with the Company exceeds seventy (70) ("**Retirement**") and if by reason thereof your Termination of Service occurs at any time during the option term, then this option will become fully exercisable as of the date of Retirement (even if the option was not fully exercisable prior to Retirement) and will remain exercisable for the full option term until the Expiration Date as if you had not incurred a Termination of Service. On the Expiration Date, the option will terminate and cease to be outstanding.

e. Should (i) your Termination of Service occur for cause (including, but not limited to, any act of dishonesty, willful misconduct, fraud, embezzlement or theft, any unauthorized disclosure or use of confidential information or trade secrets or, if you have an employment or consulting agreement with the Company, termination thereunder "for cause" (or any similar concept) as provided in such agreement), or (ii) you make or attempt to make any unauthorized use or disclosure of confidential information or trade secrets of the Company or its Subsidiaries, then in any such event this option will terminate and cease to be exercisable immediately upon the date of such Termination of Service or such unauthorized use or disclosure of confidential or secret information or attempt thereat.

5. **Privilege of Share Ownership** The holder of this option will not have any rights of a stockholder with respect to the Optioned Shares until such individual has exercised the option, paid the Exercise Price and been issued a certificate for, or had his or her securities account credited with, the purchased Shares.

#### 6. **Manner of Exercising Option**

a. In order to exercise this option with respect to all or any part of the Optioned Shares for which this option is at the time exercisable, you (or in the case of exercise after your death, your executor, administrator, heir, legatee or transferee as the case may be) must take the following actions:

i. Provide the Secretary of the Company with written notice of such exercise, specifying the number of Optioned Shares with respect to which the option is being exercised.

ii. Pay the Exercise Price for the purchased Optioned Shares in one or more of the following alternative forms: (A) full payment in cash or by check payable to the Company's order; (B) full payment in Shares of the Company valued at Fair Market Value (as such term is defined in the Plan) on the exercise date; (C) full payment in combination of Shares of the Company valued at Fair Market Value on the exercise date and cash or check payable to the Company's order; or (D) payment effected through a broker-dealer sale and remittance procedure pursuant to which you (I) will provide irrevocable written instructions to the designated broker-dealer to effect the immediate sale of the purchased Shares and remit to the Company, out of the sale proceeds, an amount equal to the aggregate Exercise Price payable for the purchased Shares plus all applicable Federal and State income and employment taxes required to be withheld by the Company by reason of such purchase and (II) will provide written directives to the Company to deliver the certificates for the purchased Shares directly to such broker-dealer.

iii. Furnish to the Company appropriate documentation that the person or persons exercising the option, if other than you, have the right to exercise this option.

b. In no event may this option be exercised for any fractional share.

**7. Compliance with Laws and Regulations.**

a. The exercise of this option and the issuance of Optioned Shares upon such exercise will be subject to compliance by the Company and by you with all applicable requirements of law relating thereto and with all applicable regulations of any stock exchange on which the Company's Shares may be listed at the time of such exercise and issuance.

b. In connection with the exercise of this option, you will execute and deliver to the Company such representations in writing as may be requested by the Company in order for it to comply with the applicable requirements of federal and state securities laws.

8. **Successors and Assigns.** Except to the extent otherwise provided in Section 2, the provisions of this Agreement will inure to the benefit of, and be binding upon your successors, administrators, heirs, legal representatives and assigns and the successors and assigns of the Company.

9. **Liability of the Company.** The inability of the Company to obtain approval from any regulatory body having authority deemed by the Company to be necessary to the lawful issuance and sale of any Shares pursuant to this option will relieve the Company of any liability in respect of the non-issuance or sale of such Shares as to which such approval will not have been obtained.

10. **No Employment or Consulting Contract; No Right to Nomination.** If you are an employee of or consultant to the Company, nothing in this Agreement or in the Plan will confer upon you any right to continue in the employ or service of the Company for any period of time or interfere with or otherwise restrict in any way the rights of the Company (or any Subsidiary or Affiliate of the Company employing or retaining you) or you, which rights are hereby expressly reserved by each, to terminate your employee or consultant status as the case may be, at any time for any reason whatsoever, with or without cause. If you are a director, neither this Agreement nor any action taken hereunder will be construed as giving you any right to be nominated for re-election to the Board of Directors of the Company.

11. **Notices.** Any notice required to be given or delivered to the Company under the terms of this Agreement will be in writing and addressed to the Company in care of its Secretary at its principal offices. Any notice required to be given or delivered to you will be in writing and addressed to you at the address indicated below your signature line herein. All notices will be deemed to be given or delivered upon personal delivery or upon deposit in the U.S. mail, postage prepaid and properly addressed to the party to be notified.

12. **Construction.** This Agreement and the option evidenced hereby are in all respects limited by and subject to the express terms and provisions of the Plan. Any dispute regarding the interpretation of this Agreement will be submitted to the Committee for resolution. The decision of the Committee will be final, binding and conclusive. Questions regarding this option or the Plan should be referred to the Legal Department of the Company.

13. **Governing Law.** The interpretation, performance, and enforcement of this Agreement will be governed by the laws of Delaware.

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14. **Additional Terms Applicable to a Non-Qualified Stock Option**. As this is a non-qualified stock option, you hereby agree to make appropriate arrangements with the Company or Subsidiary thereof by which you are employed or retained for the satisfaction of all Federal, State or local income tax withholding requirements and Federal social security employee tax requirements applicable to the exercise of this option.

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**XOMA CORPORATION**

By: /s/ Thomas Burns  
Name: Thomas Burns  
Title: Chief Financial Officer  
Dated: January 4, 2023

I hereby agree to be bound by the terms and conditions of this Agreement and the Plan.

By: \_\_\_\_\_  
Name: Owen Hughes  
Dated:

If the optionee resides in California or another community property jurisdiction, I, as the optionee's spouse, also agree to be bound by the terms and conditions of this Agreement and the Plan.

By: \_\_\_\_\_  
Name:  
Dated:

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## Exercise Schedule

**Stock Option Agreement**  
**XOMA Corporation**  
**Inducement Grant Outside of the Amended and Restated 2010 Long Term Incentive**  
**and Stock Award Plan**

(A) **Optionee:** BRADLEY SITKO  
 [\*\*\*]  
 [\*\*\*]

**Employee ID:** 200118

(B) **Grant Date:** January 03, 2023

(C) **Shares:** 300,000

(D) **Share Installments:**

VESTING DATE	SHARES VESTING	VEST TYPE
January 03, 2024	75,000	On Vest Date
January 03, 2027	225,000	Monthly

(E) **Option Number:** 007391

(F) **Expiration Date:** January 03, 2033

(G) **Exercise Price:** US \$18.66

(H) **Option Type:** Non-Qualified Stock Option

XOMA Corporation has granted you an option to purchase the number of Shares shown in item (C) above (the "**Optioned Shares**") at the Exercise Price per share shown in item (G) above. This option is granted outside of, but subject to the terms and conditions of, the Company's Amended and Restated 2010 Long Term Incentive and Stock Award Plan (the "**Plan**"), the terms of which are incorporated herein by reference, and to the terms and conditions set forth in this Stock Option Agreement (this "**Agreement**"), as a material inducement to you entering into employment with the Company in compliance with Nasdaq Listing Rule 5635(c)(4), and effective as of the Grant Date in item (B) above. The shares of Common Stock (the "**Common Stock**") underlying this option shall not reduce and shall have no impact on the number of shares available for grant under the Plan. Item (H) above indicates this is a non-qualified stock option, as such it is not entitled to special tax treatment under Section 422 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"). Capitalized terms used but not defined herein shall have the meanings given to them in the Plan.



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The details of your option are as follows:

1. **Term.** The term of this option commences on the Grant Date shown in item (B) above and, subject to the terms and conditions of your Employment Agreement (the "**Employment Agreement**"), and except as provided in Section 4 hereof, expires at the close of business on the Expiration Date shown in item (F) above, which is Ten (10) years from the Grant Date. Upon the Expiration Date or upon the sooner termination of this option under Section 4, this option will cease to be exercisable and have no further force or effect whatsoever.

2. **Transferability.** This non-qualified stock option may be transferred or assigned by you to your spouse or descendent (any such spouse or descendent, your "**Immediate Family Member**") or a corporation, partnership, limited liability company or trust so long as all of the stockholders, partners, members or beneficiaries thereof, as the case may be, are either you or your Immediate Family Member, provided that (i) there may be no consideration for any such transfer and (ii) subsequent transfers of the transferred option will be prohibited other than by will or the laws of descent and distribution. Following transfer, the option will continue to be subject to the same terms and conditions as were applicable immediately prior to transfer, provided that for purposes of this Agreement any references to "you" will refer to the transferee. The events of Termination of Service will continue to be applied with respect to you, following which the option will be exercisable by the transferee only to the extent, and for the periods specified, in this Agreement.

3. **Exercise Schedule.** The option granted herein is or will become exercisable as set forth in the Exercise Schedule attached to this Agreement.

4. **Effect of Termination of Service**

a. If your Termination of Service occurs at any time during the option term for any reason other than as provided in your Employment Agreement or Subsections (b), (c), (d) or (e) below, then the period for exercising this option will be limited to the three-month period commencing with the date of your Termination of Service; provided that in no event will this option be exercisable at any time after the Expiration Date. During any such limited period of exercisability, this option may not be exercised for more than the number of Optioned Shares (if any) for which it is exercisable at the date of your Termination of Service. Upon the expiration of any such limited period of exercisability or (if earlier) upon the Expiration Date, this option will terminate and cease to be outstanding.

b. If your Termination of Service is due to your death at a time when the option remains outstanding, then this option will become fully exercisable on the date of death even if the option was not fully exercisable prior to death, and will remain exercisable for a twelve-month period following the date of death; provided that in no event shall this option be exercisable at any time after the Expiration Date. Upon the expiration of such twelve-month period or (if earlier) upon the Expiration Date, this option will terminate and cease to be outstanding. Upon your death, the option will be exercisable by the personal representative of your estate or by the person or persons to whom the option is transferred pursuant to Section 2 above, provided any such exercise occurs prior to the earlier of (i) the expiration of the twelve- month period following the date of your death or (ii) the specified Expiration Date of the option term.

c. If you become permanently disabled and, by reason thereof your Termination of Service occurs at any time during the option term, then you will have a period of twelve months (commencing with the date of such Termination of Service) during which to exercise this option; provided, that in no event shall this option be exercisable at any time after the Expiration Date. During such limited period of exercisability, this option may not be exercised for more than the number of Optioned Shares (if any) for which this option is exercisable at the date of your Termination of Service. Upon the expiration of such

limited period of exercisability or (if earlier) upon the Expiration Date, this option will terminate and cease to be outstanding. You will be deemed to be permanently disabled if you are, by reason of any medically determinable physical or mental impairment expected to result in death or to be of continuous duration of not less than twelve (12) consecutive months or more, unable to perform your usual duties for the Company or its Subsidiaries.

d. If you retire at or after age fifty-five (55) and the sum of your age on the date of retirement plus years of full-time employment or consultancy with the Company exceeds seventy (70) ("**Retirement**") and if by reason thereof your Termination of Service occurs at any time during the option term, then this option will become fully exercisable as of the date of Retirement (even if the option was not fully exercisable prior to Retirement) and will remain exercisable for the full option term until the Expiration Date as if you had not incurred a Termination of Service. On the Expiration Date, the option will terminate and cease to be outstanding.

e. Should (i) your Termination of Service occur for cause (including, but not limited to, any act of dishonesty, willful misconduct, fraud, embezzlement or theft, any unauthorized disclosure or use of confidential information or trade secrets or, if you have an employment or consulting agreement with the Company, termination thereunder "for cause" (or any similar concept) as provided in such agreement), or (ii) you make or attempt to make any unauthorized use or disclosure of confidential information or trade secrets of the Company or its Subsidiaries, then in any such event this option will terminate and cease to be exercisable immediately upon the date of such Termination of Service or such unauthorized use or disclosure of confidential or secret information or attempt thereat.

5. **Privilege of Share Ownership.** The holder of this option will not have any rights of a stockholder with respect to the Optioned Shares until such individual has exercised the option, paid the Exercise Price and been issued a certificate for, or had his or her securities account credited with, the purchased Shares.

6. **Manner of Exercising Option.**

a. In order to exercise this option with respect to all or any part of the Optioned Shares for which this option is at the time exercisable, you (or in the case of exercise after your death, your executor, administrator, heir, legatee or transferee as the case may be) must take the following actions:

i. Provide the Secretary of the Company with written notice of such exercise, specifying the number of Optioned Shares with respect to which the option is being exercised.

ii. Pay the Exercise Price for the purchased Optioned Shares in one or more of the following alternative forms: (A) full payment in cash or by check payable to the Company's order; (B) full payment in Shares of the Company valued at Fair Market Value (as such term is defined in the Plan) on the exercise date; (C) full payment in combination of Shares of the Company valued at Fair Market Value on the exercise date and cash or check payable to the Company's order; or (D) payment effected through a broker-dealer sale and remittance procedure pursuant to which you (I) will provide irrevocable written instructions to the designated broker-dealer to effect the immediate sale of the purchased Shares and remit to the Company, out of the sale proceeds, an amount equal to the aggregate Exercise Price payable for the purchased Shares plus all applicable Federal and State income and employment taxes required to be withheld by the Company by reason of such purchase and (II) will provide written directives to the Company to deliver the certificates for the purchased Shares directly to such broker-dealer.

iii. Furnish to the Company appropriate documentation that the person or persons exercising the option, if other than you, have the right to exercise this option.

b. In no event may this option be exercised for any fractional share.

**7. Compliance with Laws and Regulations.**

a. The exercise of this option and the issuance of Optioned Shares upon such exercise will be subject to compliance by the Company and by you with all applicable requirements of law relating thereto and with all applicable regulations of any stock exchange on which the Company's Shares may be listed at the time of such exercise and issuance.

b. In connection with the exercise of this option, you will execute and deliver to the Company such representations in writing as may be requested by the Company in order for it to comply with the applicable requirements of federal and state securities laws.

**8. Successors and Assigns.** Except to the extent otherwise provided in Section 2, the provisions of this Agreement will inure to the benefit of, and be binding upon your successors, administrators, heirs, legal representatives and assigns and the successors and assigns of the Company.

**9. Liability of the Company.** The inability of the Company to obtain approval from any regulatory body having authority deemed by the Company to be necessary to the lawful issuance and sale of any Shares pursuant to this option will relieve the Company of any liability in respect of the non-issuance or sale of such Shares as to which such approval will not have been obtained.

**10. No Employment or Consulting Contract; No Right to Nomination** If you are an employee of or consultant to the Company, nothing in this Agreement or in the Plan will confer upon you any right to continue in the employ or service of the Company for any period of time or interfere with or otherwise restrict in any way the rights of the Company (or any Subsidiary or Affiliate of the Company employing or retaining you) or you, which rights are hereby expressly reserved by each, to terminate your employee or consultant status as the case may be, at any time for any reason whatsoever, with or without cause. If you are a director, neither this Agreement nor any action taken hereunder will be construed as giving you any right to be nominated for re-election to the Board of Directors of the Company.

**11. Notices.** Any notice required to be given or delivered to the Company under the terms of this Agreement will be in writing and addressed to the Company in care of its Secretary at its principal offices. Any notice required to be given or delivered to you will be in writing and addressed to you at the address indicated below your signature line herein. All notices will be deemed to be given or delivered upon personal delivery or upon deposit in the U.S. mail, postage prepaid and properly addressed to the party to be notified.

**12. Construction.** This Agreement and the option evidenced hereby are in all respects limited by and subject to the express terms and provisions of the Plan. Any dispute regarding the interpretation of this Agreement will be submitted to the Committee for resolution. The decision of the Committee will be final, binding and conclusive. Questions regarding this option or the Plan should be referred to the Legal Department of the Company.

**13. Governing Law.** The interpretation, performance, and enforcement of this Agreement will be governed by the laws of Delaware.

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14. **Additional Terms Applicable to a Non-Qualified Stock Option**. As this is a non-qualified stock option, you hereby agree to make appropriate arrangements with the Company or Subsidiary thereof by which you are employed or retained for the satisfaction of all Federal, State or local income tax withholding requirements and Federal social security employee tax requirements applicable to the exercise of this option.

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**XOMA CORPORATION**

By: /s/ Thomas Burns  
Name: Thomas Burns  
Title: Chief Financial Officer  
Dated: January 4, 2023

I hereby agree to be bound by the terms and conditions of this Agreement and the Plan.

By: /s/ Bradley Sitko  
Name: Bradley Sitko  
Dated: January 27, 2023

If the optionee resides in California or another community property jurisdiction, I, as the optionee's spouse, also agree to be bound by the terms and conditions of this Agreement and the Plan.

By: \_\_\_\_\_  
Name:  
Dated:

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## Exercise Schedule

**Stock Option Agreement  
XOMA Corporation  
Inducement Grant Outside of the Amended and Restated 2010 Long Term Incentive  
and Stock Award Plan**

(A) **Optionee:** BRADLEY SITKO  
[\*\*\*]  
[\*\*\*]

**Employee ID:** 200118

(B) **Grant Date:** January 03, 2023

(C) **Shares:** 250,000

(D) **Share Installments:**

VESTING DATE	SHARES VESTING	VEST TYPE
January 03, 2024	62,500	On Vest Date
January 03, 2027	187,500	Monthly

(E) **Option Number:** 007392

(F) **Expiration Date:** January 03, 2033

(G) **Exercise Price:** US \$30.00

(H) **Option Type:** Non-Qualified Stock Option

XOMA Corporation has granted you an option to purchase the number of Shares shown in item (C) above (the "*Optioned Shares*") at the Exercise Price per share shown in item (G) above. This option is granted outside of, but subject to the terms and conditions of, the Company's Amended and Restated 2010 Long Term Incentive and Stock Award Plan (the "*Plan*"), the terms of which are incorporated herein by reference, and to the terms and conditions set forth in this Stock Option Agreement (this "*Agreement*"), as a material inducement to you entering into employment with the Company in compliance with Nasdaq Listing Rule 5635(c)(4), and effective as of the Grant Date in item (B) above. The shares of Common Stock (the "*Common Stock*") underlying this option shall not reduce and shall have no impact on the number of shares available for grant under the Plan. Item (H) above indicates this is a non-qualified stock option, as such it is not entitled to special tax treatment under Section 422 of the U.S. Internal Revenue Code of 1986, as amended (the "*Code*"). Capitalized terms used but not defined herein shall have the meanings given to them in the Plan.

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The details of your option are as follows:

1. **Term.** The term of this option commences on the Grant Date shown in item (B) above and, subject to the terms and conditions of your Employment Agreement (the "*Employment Agreement*"), and except as provided in Section 4 hereof, expires at the close of business on the Expiration Date shown in item (F) above, which is Ten (10) years from the Grant Date. Upon the Expiration Date or upon the sooner termination of this option under Section 4, this option will cease to be exercisable and have no further force or effect whatsoever.

2. **Transferability.** This non-qualified stock option may be transferred or assigned by you to your spouse or descendent (any such spouse or descendent, your "*Immediate Family Member*") or a corporation, partnership, limited liability company or trust so long as all of the stockholders, partners, members or beneficiaries thereof, as the case may be, are either you or your Immediate Family Member, provided that (i) there may be no consideration for any such transfer and (ii) subsequent transfers of the transferred option will be prohibited other than by will or the laws of descent and distribution. Following transfer, the option will continue to be subject to the same terms and conditions as were applicable immediately prior to transfer, provided that for purposes of this Agreement any references to "you" will refer to the transferee. The events of Termination of Service will continue to be applied with respect to you, following which the option will be exercisable by the transferee only to the extent, and for the periods specified, in this Agreement.

3. **Exercise Schedule.** The option granted herein is or will become exercisable as set forth in the Exercise Schedule attached to this Agreement.

4. **Effect of Termination of Service**

a. If your Termination of Service occurs at any time during the option term for any reason other than as provided in your Employment Agreement or Subsections (b), (c), (d) or (e) below, then the period for exercising this option will be limited to the three-month period commencing with the date of your Termination of Service; provided that in no event will this option be exercisable at any time after the Expiration Date. During any such limited period of exercisability, this option may not be exercised for more than the number of Optioned Shares (if any) for which it is exercisable at the date of your Termination of Service. Upon the expiration of any such limited period of exercisability or (if earlier) upon the Expiration Date, this option will terminate and cease to be outstanding.

b. If your Termination of Service is due to your death at a time when the option remains outstanding, then this option will become fully exercisable on the date of death even if the option was not fully exercisable prior to death, and will remain exercisable for a twelve-month period following the date of death; provided that in no event shall this option be exercisable at any time after the Expiration Date. Upon the expiration of such twelve-month period or (if earlier) upon the Expiration Date, this option will terminate and cease to be outstanding. Upon your death, the option will be exercisable by the personal representative of your estate or by the person or persons to whom the option is transferred pursuant to Section 2 above, provided any such exercise occurs prior to the earlier of (i) the expiration of the twelve- month period following the date of your death or (ii) the specified Expiration Date of the option term.

c. If you become permanently disabled and, by reason thereof your Termination of Service occurs at any time during the option term, then you will have a period of twelve months (commencing with the date of such Termination of Service) during which to exercise this option; provided, that in no event shall this option be exercisable at any time after the Expiration Date. During such limited period of exercisability, this option may not be exercised for more than the number of Optioned Shares (if any) for which this option is exercisable at the date of your Termination of Service. Upon the expiration of such



limited period of exercisability or (if earlier) upon the Expiration Date, this option will terminate and cease to be outstanding. You will be deemed to be permanently disabled if you are, by reason of any medically determinable physical or mental impairment expected to result in death or to be of continuous duration of not less than twelve (12) consecutive months or more, unable to perform your usual duties for the Company or its Subsidiaries.

d. If you retire at or after age fifty-five (55) and the sum of your age on the date of retirement plus years of full-time employment or consultancy with the Company exceeds seventy (70) ("**Retirement**") and if by reason thereof your Termination of Service occurs at any time during the option term, then this option will become fully exercisable as of the date of Retirement (even if the option was not fully exercisable prior to Retirement) and will remain exercisable for the full option term until the Expiration Date as if you had not incurred a Termination of Service. On the Expiration Date, the option will terminate and cease to be outstanding.

e. Should (i) your Termination of Service occur for cause (including, but not limited to, any act of dishonesty, willful misconduct, fraud, embezzlement or theft, any unauthorized disclosure or use of confidential information or trade secrets or, if you have an employment or consulting agreement with the Company, termination thereunder "for cause" (or any similar concept) as provided in such agreement), or (ii) you make or attempt to make any unauthorized use or disclosure of confidential information or trade secrets of the Company or its Subsidiaries, then in any such event this option will terminate and cease to be exercisable immediately upon the date of such Termination of Service or such unauthorized use or disclosure of confidential or secret information or attempt thereat.

5. **Privilege of Share Ownership**. The holder of this option will not have any rights of a stockholder with respect to the Optioned Shares until such individual has exercised the option, paid the Exercise Price and been issued a certificate for, or had his or her securities account credited with, the purchased Shares.

6. **Manner of Exercising Option**.

a. In order to exercise this option with respect to all or any part of the Optioned Shares for which this option is at the time exercisable, you (or in the case of exercise after your death, your executor, administrator, heir, legatee or transferee as the case may be) must take the following actions:

i. Provide the Secretary of the Company with written notice of such exercise, specifying the number of Optioned Shares with respect to which the option is being exercised.

ii. Pay the Exercise Price for the purchased Optioned Shares in one or more of the following alternative forms: (A) full payment in cash or by check payable to the Company's order; (B) full payment in Shares of the Company valued at Fair Market Value (as such term is defined in the Plan) on the exercise date; (C) full payment in combination of Shares of the Company valued at Fair Market Value on the exercise date and cash or check payable to the Company's order; or (D) payment effected through a broker-dealer sale and remittance procedure pursuant to which you (I) will provide irrevocable written instructions to the designated broker-dealer to effect the immediate sale of the purchased Shares and remit to the Company, out of the sale proceeds, an amount equal to the aggregate Exercise Price payable for the purchased Shares plus all applicable Federal and State income and employment taxes required to be withheld by the Company by reason of such purchase and (II) will provide written directives to the Company to deliver the certificates for the purchased Shares directly to such broker-dealer.

iii. Furnish to the Company appropriate documentation that the person or persons exercising the option, if other than you, have the right to exercise this option.

b. In no event may this option be exercised for any fractional share.

**7. Compliance with Laws and Regulations.**

a. The exercise of this option and the issuance of Optioned Shares upon such exercise will be subject to compliance by the Company and by you with all applicable requirements of law relating thereto and with all applicable regulations of any stock exchange on which the Company's Shares may be listed at the time of such exercise and issuance.

b. In connection with the exercise of this option, you will execute and deliver to the Company such representations in writing as may be requested by the Company in order for it to comply with the applicable requirements of federal and state securities laws.

8. **Successors and Assigns.** Except to the extent otherwise provided in Section 2, the provisions of this Agreement will inure to the benefit of, and be binding upon your successors, administrators, heirs, legal representatives and assigns and the successors and assigns of the Company.

9. **Liability of the Company.** The inability of the Company to obtain approval from any regulatory body having authority deemed by the Company to be necessary to the lawful issuance and sale of any Shares pursuant to this option will relieve the Company of any liability in respect of the non-issuance or sale of such Shares as to which such approval will not have been obtained.

10. **No Employment or Consulting Contract; No Right to Nomination.** If you are an employee of or consultant to the Company, nothing in this Agreement or in the Plan will confer upon you any right to continue in the employ or service of the Company for any period of time or interfere with or otherwise restrict in any way the rights of the Company (or any Subsidiary or Affiliate of the Company employing or retaining you) or you, which rights are hereby expressly reserved by each, to terminate your employee or consultant status as the case may be, at any time for any reason whatsoever, with or without cause. If you are a director, neither this Agreement nor any action taken hereunder will be construed as giving you any right to be nominated for re-election to the Board of Directors of the Company.

11. **Notices.** Any notice required to be given or delivered to the Company under the terms of this Agreement will be in writing and addressed to the Company in care of its Secretary at its principal offices. Any notice required to be given or delivered to you will be in writing and addressed to you at the address indicated below your signature line herein. All notices will be deemed to be given or delivered upon personal delivery or upon deposit in the U.S. mail, postage prepaid and properly addressed to the party to be notified.

12. **Construction.** This Agreement and the option evidenced hereby are in all respects limited by and subject to the express terms and provisions of the Plan. Any dispute regarding the interpretation of this Agreement will be submitted to the Committee for resolution. The decision of the Committee will be final, binding and conclusive. Questions regarding this option or the Plan should be referred to the Legal Department of the Company.

13. **Governing Law.** The interpretation, performance, and enforcement of this Agreement will be governed by the laws of Delaware.

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14. **Additional Terms Applicable to a Non-Qualified Stock Option**. As this is a non-qualified stock option, you hereby agree to make appropriate arrangements with the Company or Subsidiary thereof by which you are employed or retained for the satisfaction of all Federal, State or local income tax withholding requirements and Federal social security employee tax requirements applicable to the exercise of this option.

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**XOMA CORPORATION**

By: /s/ Thomas Burns  
Name: Thomas Burns  
Title: Chief Financial Officer  
Dated: January 4, 2023

I hereby agree to be bound by the terms and conditions of this Agreement and the Plan.

By: /s/ Bradley Sitko  
Name: Bradley Sitko  
Dated: January 27, 2023

If the optionee resides in California or another community property jurisdiction, I, as the optionee's spouse, also agree to be bound by the terms and conditions of this Agreement and the Plan.

By: \_\_\_\_\_  
Name:  
Dated:

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## Exercise Schedule

## Calculation of Filing Fee Table

Form S-8  
(Form Type)XOMA Corporation  
(Exact Name of Registrant as Specified in its Charter)

Table 1: Newly Registered Securities

Security Type	Security Class Title	Fee Calculation Rule	Amount Registered <sup>(1)</sup>	Proposed Maximum Offering Price Per Unit	Maximum Aggregate Offering Price	Fee Rate	Amount of Registration Fee
Equity	Common Stock, \$0.0075 par value per share	Other <sup>(2)</sup>	725,000	\$23.75 <sup>(3)</sup>	\$17,218,750.00	\$0.00011020	\$1,897.51
<b>Total Offering Amounts</b>					\$17,218,750.00		\$1,897.51
<b>Total Fees Previously Paid</b>							\$—
<b>Total Fee Offsets</b>							\$—
<b>Net Fee Due</b>							\$1,897.51

- (1) Pursuant to Rule 416(a) promulgated under the Securities Act of 1933, as amended (the "*Securities Act*"), this Registration Statement shall also cover any additional shares of Registrant's common stock that become issuable by reason of any stock dividend, stock split, recapitalization, or other similar transaction effected that results in an increase to the number of outstanding shares of Registrant's common stock.
- (2) Represents shares of the Registrant's Common Stock reserved for issuance upon the exercise of stock options granted outside the XOMA Corporation Amended and Restated 2010 Long Term Incentive and Stock Award Plan (the "Plan"), but pursuant to the terms of the Plan as if such stock options were granted under the Plan, as inducement grants pursuant to Rule 5635(c)(4) of the Nasdaq Listing Rules.
- (3) Estimated in accordance with Rule 457(h) solely for the purpose of calculating the registration fee on the basis of \$23.75 per share of common stock, the weighted average exercise price of the common stock subject to the options being registered hereunder.