#### Edgar Filing: MARGOLIN CHRISTOPHER J - Form 4

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MARGOL	IN CHRISTOPHE	ER J								
Form 4										
October 28	3, 2011									
<b>FORI</b>	M 4	~~	~ ~ ~ ~ ~ ~			~~~			PPROVAL	
Check this box							OMB Number:	3235-028		
if no lo	nger							Expires:	January 31 200	
subject to Section 16. Form 4 or						<b>JWNERSHIP OF</b>	Estimated burden hor	average urs per		
Form 5	_	rsuant to 3	Section	16(a) of tl	ne Securi	ties Exch	ange Act of 1934,	response	. 0.	
	10m2	(a) of the	Public U		lding Co	mpany A	ct of 1935 or Sectio	n		
(Print or Type	e Responses)									
	Address of Reporting		2. Issue Symbol	er Name <b>an</b>	<b>d</b> Ticker o	r Trading	5. Relationship of Issuer	f Reporting Per	rson(s) to	
			XOMA LTD /DE/ [XOMA]			(Check all applicable)				
(Last) (First) (Middle)			3. Date of Earliest Transaction			(check an appreadic)				
C/O XOMA LTD., 2910 SEVENTH STREET			(Month/Day/Year) 10/27/2011			Director 10% Owner X Officer (give title Other (specify below) below) VP, General Counsel & Sec'y				
(Street)			4. If Amendment, Date Original			6. Individual or Joint/Group Filing(Check				
				Filed(Month/Day/Year) Applicab _X_Form						
DEMILL	L1, CA )4/10						Person			
(City)	(State)	(Zip)	Tal	ole I - Non-	Derivative	Securities	Acquired, Disposed o	f, or Beneficia	ally Owned	
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	Execution any	Date, if	3. Transactic Code (Instr. 8)	Disposed	(A) or of (D) 4 and 5)	Securities I Beneficially ( Owned (	5. Ownership Form: Direct D) or Indirect I) Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
D		<b>6</b> 1		Code V			Transaction(s) (Instr. 3 and 4)			
Reminder: R	eport on a separate lin	e for each c	lass of sec	urities bene	-				750 1454	
					infor	mation co	espond to the collect ntained in this form	are not	SEC 1474 (9-02)	

information contained in this form are not (9-0 required to respond unless the form displays a currently valid OMB control number.

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

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5. Number of	6. Date Exercisable and	7. Title and Amoun
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transacti	orDerivative	Expiration Date	Underlying Securit
Security	or Exercise		any	Code	Securities	(Month/Day/Year)	(Instr. 3 and 4)

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(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8)	Acquired ( <i>A</i> or Disposed (D) (Instr. 3, 4, and 5)	d of			
				Code V	(A)	(D) Date Exercisable	Expiration Date	Title	Amo or Num of Sh
Incentive Share Option (right to buy)	\$ 1.69	10/27/2011		А	37,642	(1)	10/27/2021	Common Shares	37,6
Non-Qualified Share Option (right to buy)	\$ 1.69	10/27/2011		А	51,248	<u>(1)</u>	10/27/2021	Common Shares	51,2
Restricted Stock Units	\$ 0	10/27/2011		А	68,377	(2)	(2)	Common Shares	68,3

# **Reporting Owners**

<b>Reporting Owner Name / Address</b>	Relationships					
	Director	10% Owner	Officer	Other		
MARGOLIN CHRISTOPHER J C/O XOMA LTD. 2910 SEVENTH STREET BERKELEY, CA 94710			VP, General Counsel & Sec'y			

### Signatures

Christopher J. Margolin 10/28/2011 \*\*Signature of Reporting Date Person Date

## **Explanation of Responses:**

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Taken together, the Incentive Stock Option and Non-Qualified Stock Option granted on the same date are exercisable as to 60% of the options on the grant date, with the remaining 40% vesting in monthly increments beginning 11/28/2011 and ending 10/28/2013.
- (2) These restricted stock units are scheduled to vest in substantially equal installments annually over three years, with the first installment vesting on October 28, 2012.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.