VAN NESS W DENMAN

Form 4

November 12, 2009

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

OMB

OMB APPROVAL

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SECURITIES obligations

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section

30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

may continue.

See Instruction

1. Name and Address of Reporting Person * VAN NESS W DENMAN

2. Issuer Name and Ticker or Trading Symbol

XOMA LTD /DE/ [XOMA]

(First) (Last)

(Middle)

3. Date of Earliest Transaction

(Month/Day/Year) 11/10/2009

C/O XOMA LTD., 2910 SEVENTH

(Street)

STREET

4. If Amendment, Date Original

Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to

Issuer

(Check all applicable)

X_ Director 10% Owner Officer (give title Other (specify

below)

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

BERKELEY, CA 94710

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)

(City)

2. Transaction Date 2A. Deemed (Month/Day/Year)

(State)

Execution Date, if

(Month/Day/Year)

(Zip)

(Instr. 8)

3. 4. Securities TransactionAcquired (A) or Code

Disposed of (D) (Instr. 3, 4 and 5)

(A)

or

5. Amount of Securities Beneficially Owned Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial (I) Ownership (Instr. 4) (Instr. 4)

Reported

Transaction(s) (Instr. 3 and 4) Code V Amount (D) Price

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

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

1. Title of Derivative Security

2. Conversion or Exercise

3. Transaction Date 3A. Deemed

(Month/Day/Year) Execution Date, if any

4. 5. Number of TransactionDerivative Code Securities Acquired

6. Date Exercisable and **Expiration Date** (Month/Day/Year)

7. Title and Underlying (Instr. 3 and

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(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8)	(D)	A) or Disposed of D) Instr. 3, 4, and 5)			
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title
Non-Qualified Share Option (right to buy)	\$ 1.58	11/10/2009		D <u>(1)</u>		10,000	10/23/2009	10/23/2018	Common Shares
Non-Qualified Share Option (right to buy)	\$ 1.58	11/10/2009		A(2)	10,000		10/23/2009	10/23/2018	Common Shares

Reporting Owners

Reporting Owner Name / Address	Relationships					
1 6	Director	10% Owner	Officer	Other		
VAN NESS W DENMAN C/O XOMA LTD. 2910 SEVENTH STREET BERKELEY, CA 94710	X					

Signatures

By: Christopher J. Margolin For: W. Denman Van Ness 11/12/2009

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) This transaction represents the disposition of the fully vested option pursuant to the transfer of said option from Mr. Van Ness to "The Van Ness 1983 Revocable Trust".
- (2) This transaction represents the acquisition of the fully vested option by the "The Van Ness 1983 Revocable Trust" pursuant to the transfer of said option from Mr. Van Ness to "The Van Ness 1983 Revocable Trust".

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.

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