
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 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): December 28, 2012

OMEROS CORPORATION

(Exact name of registrant as specified in its charter)

Washington
(State or other jurisdiction
of incorporation)

001-34475
(Commission
File Number)

91-1663741
(IRS Employer
Identification No.)

**201 Elliott Avenue West
Seattle, Washington 98119**
(Address of principal executive offices, including zip code)

(206) 676-5000
(Registrant's telephone number, including area code)

(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 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry Into a Material Definitive Agreement.

On December 28, 2012, Omeros Corporation (“Omeros”) and Oxford Finance LLC, successor-in-interest to Oxford Finance Corporation, and Oxford Finance Funding Trust 2012-01 (collectively, “Oxford”), entered into the Sixth Amendment to Loan and Security Agreement (the “Amendment”), which amended the Loan and Security Agreement between Omeros and Oxford dated October 21, 2010, as amended (the “Loan Agreement”). Pursuant to the Amendment (1) Omeros borrowed an additional \$7.2 million from Oxford (the “New Tranche”) and (2) the repayment terms of Omeros’ \$12.8 million of existing outstanding indebtedness to Oxford due under the Loan Agreement (the “Existing Indebtedness”) were amended to, among other things, provide for interest-only payments on both the Existing Indebtedness and the New Tranche through December 31, 2013 (as further described below). As a result of the New Tranche, the total principal amount of Omeros’ outstanding indebtedness to Oxford is \$20.0 million.

Interest on the \$20.0 million accrues at an annual fixed rate of 9.25%, and Omeros is obligated to make monthly payments of only interest through December 31, 2013. Beginning January 1, 2014, payments of principal and interest are due for 36 consecutive months. All unpaid principal and accrued and unpaid interest are due and payable on December 1, 2016 (the “Maturity Date”).

In connection with the Amendment, Omeros made one-time payments to Oxford of (1) \$50,000 as a facility fee and (2) \$588,000 for the accrued portion of the \$900,000 final payment (or “balloon payment”) due under the Loan Agreement for the Existing Indebtedness with no further obligation for the remaining \$312,000 of that final payment. Also under the Amendment, upon the last payment date of the amounts borrowed by Omeros, whether on the Maturity Date, on the date of any prepayment, or on the date of acceleration in the event of a default, Omeros will be required to pay Oxford a final payment (or “balloon payment”) equal to 7.0% of the borrowed \$20.0 million, or \$1.4 million, reducing the amount of Omeros’ monthly cash payments to Oxford prior to such final payment. Omeros may prepay the outstanding principal balance in its entirety, plus accrued and unpaid interest, at any time upon delivery of prior notice to Oxford and the payment of a prepayment fee equal to 1.0% of the then-outstanding principal amount, which prepayment fee would be waived if Omeros refinances the indebtedness then-outstanding under the Loan Agreement with Oxford. As security for its obligations under the Loan Agreement, Oxford continues to hold the same security interest in substantially all of Omeros’ assets, excluding intellectual property. Oxford received no equity in Omeros nor any warrants to purchase Omeros stock as part of the Amendment.

The foregoing description of the Amendment is only a summary of its material terms and does not purport to be complete. The Amendment, the promissory notes evidencing the New Tranche and the allonges to the two promissory notes evidencing the Existing Indebtedness, which allonges amended the notes evidencing the Existing Indebtedness to reflect the new interest rate, are filed as exhibits to the Current Report on Form 8-K and are incorporated by reference herein.

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 in Item 1.01 above with respect to the Amendment is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
10.1	Sixth Amendment to Loan and Security Agreement dated December 28, 2012 between Omeros Corporation and Oxford Finance LLC and Oxford Finance Funding Trust 2012-01
10.2	Secured Promissory Note dated December 28, 2012 with a principal amount of \$4,000,000 issued by Omeros Corporation to Oxford Finance LLC
10.3	Secured Promissory Note dated December 28, 2012 with a principal amount of \$3,176,603 issued by Omeros Corporation to Oxford Finance LLC
10.4	Allonge dated December 28, 2012 to Secured Promissory Note with an original principal amount of \$10,000,000 issued by Omeros Corporation to Oxford Finance LLC on October 21, 2010 (and subsequently assigned to Oxford Finance Funding Trust 2012-01)
10.5	Allonge dated December 28, 2012 to Secured Promissory Note with an original principal amount of \$10,000,000 issued by Omeros Corporation to Oxford Finance LLC on March 25, 2011 (and subsequently assigned to Oxford Finance Funding Trust 2012-01)

SIGNATURES

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.

OMEROS CORPORATION

By: /s/ Gregory A. Demopulos
Gregory A. Demopulos, M.D.
President, Chief Executive Officer,
and Chairman of the Board of Directors

Date: January 2, 2013

EXHIBIT INDEX

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**SIXTH AMENDMENT
TO
LOAN AND SECURITY AGREEMENT**

THIS **SIXTH AMENDMENT** to Loan and Security Agreement (this “**Amendment**”) is entered into as of December 28, 2012, by and between **OXFORD FINANCE LLC** (“**Oxford**”), the Lenders listed on Schedule 1.1 hereof or otherwise party thereto from time to time (each a “**Lender**” and collectively, the “**Lenders**”), including Oxford in its capacity as a Lender, and **OMEROS CORPORATION**, a Washington corporation (“**Borrower**”) whose address is 201 Elliott Avenue West, Seattle, WA 98119.

RECITALS

A. Oxford and Borrower have entered into that certain Loan and Security Agreement dated as of October 21, 2010 (as amended from time to time, including by that certain Consent and First Amendment to Loan and Security Agreement dated as of February 3, 2011, that certain Second Amendment to Loan and Security Agreement dated as of March 25, 2011, that certain Third Amendment to Loan and Security Agreement dated as of June 13, 2011, that certain Fourth Amendment to Loan and Security Agreement dated as of February 1, 2012 and that certain Fifth Amendment to Loan and Security Agreement dated as of July 23, 2012, as the same may from time to time be further amended, modified, supplemented or restated, the “**Loan Agreement**”).

B. Lenders have extended credit to Borrower for the purposes permitted in the Loan Agreement.

C. Borrower has requested that Lenders (i) extend additional credit to Borrower; (ii) extend the interest-only period with respect to the existing Growth Capital Advances; and (iii) make certain other revisions to the Loan Agreement as more fully set forth herein.

D. Lenders have agreed to amend certain provisions of the Loan Agreement, but only to the extent, in accordance with the terms, subject to the conditions and in reliance upon the representations and warranties set forth below.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and intending to be legally bound, the parties hereto agree as follows:

1. Definitions. Capitalized terms used but not defined in this Amendment shall have the meanings given to them in the Loan Agreement.

2. Amendments to Loan Agreement.

2.1 Section 2.1.1(a) (Availability). Section 2.1.1(a) of the Loan Agreement hereby is amended and restated in its entirety to read as follows:

“(a) Availability.

(i) Subject to the terms and conditions of the Loan Agreement, Oxford loaned to Borrower the Closing Date Advance and the Tranche 2 Advance. As of the Sixth Amendment Date, the outstanding principal balances of the Closing Date Advance and the Tranche 2 Advance (collectively, the “**Original Growth Capital Loans**”) are as set forth on Schedule 1.1 hereof.

(ii) Subject to the terms and conditions of this Agreement, Lenders agree, severally and not jointly, to lend to Borrower, on the Sixth Amendment Date, an advance (the “**Tranche 3 Advance**” and, collectively with the Original Growth Capital Loans, the “**Growth Capital Advances**” and each, individually, a “**Growth Capital Advance**”) in the amount of Seven Million One Hundred Seventy-Six Thousand Six Hundred Three Dollars and 04/100 (\$7,176,603.04). After repayment, no Growth Capital Advance may be re-borrowed.”

2.2 Section 2.1.1(b) (Repayment). Section 2.1.1(b) of the Loan Agreement hereby is amended and restated in its entirety to read as follows:

“(b) **Repayment.** Borrower shall make monthly payments of interest only on account of the Growth Capital Advances commencing on the first (1st) Payment Date following the Funding Date of the Tranche 3 Advance, and continuing on the Payment Date of each successive month thereafter through and including the Payment Date immediately preceding the Growth Capital Amortization Date. Borrower agrees to pay, on the Funding Date of the Tranche 3 Advance, (i) any initial partial monthly interest payment otherwise due for the period between the Funding Date of the Tranche 3 Advance and the first Payment Date thereof and (ii) any accrued and unpaid interest on the Original Growth Capital Loans owing as of such Funding Date. Commencing on the Growth Capital Amortization Date, and continuing on the Payment Date of each month thereafter, Borrower shall make consecutive equal monthly payments of principal and interest, in arrears, to each Lender, as calculated by Oxford (which calculations shall be deemed correct absent manifest error) based upon: (1) the amount of Growth Capital Advances, (2) the effective rate of interest, as determined in Section 2.2(a), and (3) a repayment schedule equal to thirty-six (36) months. All unpaid principal and accrued and unpaid interest with respect to the Growth Capital Advances is due and payable in full on the Maturity Date. The Growth Capital Advances may only be prepaid in accordance with Sections 2.1.1(d) and/or 2.1.1(e).”

2.3 Section 2.1.1 (Permitted Prepayment). Clause (d) of Section 2.1.1 of the Loan Agreement hereby is amended and restated in its entirety to read as follows:

“(d) Permitted Prepayment. Borrower shall have the option to prepay all, but not less than all of the Growth Capital Advances made by Lender under this Agreement, provided Borrower, (i) provides written notice to Lender of its election to prepay such Growth Capital Advances at least five (5) Business Days prior to such prepayment, and (ii) pays, on the date of such prepayment (A) the outstanding principal amount of the Growth Capital Advances being prepaid, plus accrued interest thereon through the prepayment date, (B) the Final Payment on account of such Growth Capital Advances, (C) the Prepayment Fee on account of such Growth Capital Advances, plus (D) all other sums that have become due and payable, including Lender Expenses, if any, and interest at the Default Rate with respect to any past due amounts. Notwithstanding anything in this Agreement to the contrary, if Borrower refinances the Obligations under this Agreement with another credit facility provided by Lender to Borrower primarily for such purpose, then the Prepayment Fee otherwise due hereunder shall not be due and payable.”

2.4 Section 2.2(a) (Interest Rate). Section 2.2(a) of the Loan Agreement hereby is amended and restated in its entirety to read as follows:

“(a) Interest Rate. Subject to Section 2.2(b), the principal amount outstanding under the Growth Capital Advances shall accrue interest, which interest shall be payable monthly, in arrears, in accordance with Section 2.2(e) below, at a fixed per annum rate equal to the LIBOR Rate, as of the Funding Date of the Tranche 3 Advance, plus the LIBOR Margin; provided that, prior to the Sixth Amendment Date, the Closing Date Advance and the Tranche 2 Advance were accruing interest at the per annum rates of 8.550% and 8.558%, respectively. Interest shall accrue on the principal amount outstanding under each Growth Capital Advance through and including the day on which such Growth Capital Advance is paid in full.”

2.5 Section 13.1 (Definitions). The following terms and their respective definitions hereby are added or amended and restated in their entirety, as applicable, to Section 13.1 of the Loan Agreement as follows:

“**Final Payment**” means a fee (in addition to and not a substitution for any other payment due hereunder) due on the earliest to occur of (a) the Maturity Date, or (b) the acceleration of any Growth Capital Advance, or (c) the prepayment of the Growth Capital Advances pursuant to Section 2.1.1(d) or (e), equal to Twenty Million Dollars (\$20,000,000.00) multiplied by the Final Payment Percentage.

“**Final Payment Percentage**” is seven percent (7.00%).

“**Growth Capital Amortization Date**” means January 1, 2014.

“**LIBOR Margin**” is 8.92%.

“**LIBOR Rate**” means the interest rate per annum (rounded upward, if necessary, to the nearest 1/10,000th of one percent (0.0001%)) equal to the greater of (i) LIBOR on the Sixth Amendment Date and (ii) thirty-three one hundredths of one percent (0.33%).

“**Maturity Date**” is December 1, 2016, or such earlier date as any Growth Capital Advance or any portion of the Obligations is accelerated, whether by prepayment or otherwise.

“**Original Growth Capital Loans**” is defined in Section 2.1.1(a)(i).

“**Perfection Certificate**” means a completed perfection certificate signed by an officer of Borrower and delivered to Oxford on the Sixth Amendment Date.

“**Promissory Notes**” means the outstanding promissory notes issued by Borrower to the Lenders, as amended by the corresponding allonge attached hereto, and the promissory notes issued on the Sixth Amendment Date in substantially the forms attached hereto.

“**Sixth Amendment Date**” means December 28, 2012.

“**Tranche 3 Advance**” is defined in Section 2.1.1(a)(ii).

3. Limitation of Amendments.

3.1 The amendments set forth in **Section 2** above are effective for the purposes set forth herein and shall be limited precisely as written and shall not be deemed to (a) be a consent to any amendment, waiver or modification of any other term or condition of any Loan Document, or (b) otherwise prejudice any right or remedy which any Lender may now have or may have in the future under or in connection with any Loan Document.

3.2 This Amendment shall be construed in connection with and as part of the Loan Documents and all terms, conditions, representations, warranties, covenants and agreements set forth in the Loan Documents, except as herein amended, are hereby ratified and confirmed and shall remain in full force and effect.

4. Representations and Warranties. To induce Lenders to enter into this Amendment, Borrower hereby represents and warrants to Lenders as follows:

4.1 Immediately after giving effect to this Amendment (a) the representations and warranties contained in the Loan Documents are true, accurate and complete in all material respects as of the date hereof (except to the extent such representations and warranties relate to an earlier date, in which case they are true and correct as of such date), and (b) no Event of Default has occurred and is continuing;

4.2 Borrower has the power and authority to execute and deliver this Amendment and to perform its obligations under the Loan Agreement, as amended by this Amendment;

4.3 The organizational documents of Borrower delivered to Lender on the Closing Date, or subsequent thereto, remain true, accurate and complete and have not been amended, supplemented or restated and are and continue to be in full force and effect;

4.4 The execution and delivery by Borrower of this Amendment and the performance by Borrower of its obligations under the Loan Agreement, as amended by this Amendment, have been duly authorized;

4.5 The execution and delivery by Borrower of this Amendment and the performance by Borrower of its obligations under the Loan Agreement, as amended by this Amendment, do not and will not contravene (a) any law or regulation binding on or affecting Borrower, (b) any contractual restriction with a Person binding on Borrower, (c) any order, judgment or decree of any court or other governmental or public body or authority, or subdivision thereof, binding on Borrower, or (d) the organizational documents of Borrower;

4.6 The execution and delivery by Borrower of this Amendment and the performance by Borrower of its obligations under the Loan Agreement, as amended by this Amendment, do not require any order, consent, approval, license, authorization or validation of, or filing, recording or registration with, or exemption by any governmental or public body or authority, or subdivision thereof, binding on Borrower, except as already has been obtained or made; and

4.7 This Amendment has been duly executed and delivered by Borrower and is the binding obligation of Borrower, enforceable against Borrower in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, liquidation, moratorium or other similar laws of general application and equitable principles relating to or affecting creditors' rights.

5. **Counterparts.** This Amendment may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

6. **Effectiveness.** This Amendment shall be deemed effective upon the due execution and delivery to Lender of (i) this Amendment by each party hereto; (ii) the Disbursement Letter attached hereto; (iii) the Secured Promissory Notes attached hereto; (iv) the Allonges attached hereto; (v) the Secretary's Certificate, in substantially the form attached hereto; (vi) the Amended and Restated Lien Subordination Agreement, duly executed by the parties thereto; (vii) opinions of Borrower's legal counsel, in form and content reasonably acceptable to Oxford; (viii) a Post-Closing Letter, in form and content reasonably acceptable to Oxford; (ix) the Perfection Certificate of Borrower; and (x) Borrower's payment (from the proceeds of the Tranche 3 Advance) of (a) the accrued balance of the Final Payment under the Loan Agreement (calculated as of the date of this Amendment) in the amount of Five Hundred Eighty Seven Thousand Seven Hundred Forty One Dollars and 92/100 (\$587,741.92); (b) a facility fee in the amount of Fifty Thousand Dollars (\$50,000.00); and (c) all Lender Expenses incurred through the date of this Amendment.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered as of the date first written above.

LENDER:

OXFORD FINANCE LLC

By: /s/ Mark Davis

Name: Mark Davis

Title: Vice President – Finance, Secretary & Treasurer

BORROWER:

OMEROS CORPORATION

By: /s/ Gregory A. Demopoulos

Name: Gregory A. Demopoulos, M.D.

Title: Chairman & CEO

LENDER:

OXFORD FINANCE FUNDING TRUST 2012-01

BY: Oxford Finance LLC, as servicer

By: /s/ Mark Davis

Name: Mark Davis

Title: Vice President – Finance, Secretary & Treasurer

[Signature Page to Sixth Amendment to Loan and Security Agreement]

SCHEDULE 1.1

Lenders and Commitments

Closing Date Advance

<u>Lender</u>	<u>Commitment Amount; Outstanding Balance</u>	<u>Commitment Percentage</u>
OXFORD FINANCE FUNDING TRUST 2012-01	\$6,411,560.12	100.00%
TOTAL	\$6,411,560.12	100.00%

Tranche 2 Advance

<u>Lender</u>	<u>Commitment Amount; Outstanding Balance</u>	<u>Commitment Percentage</u>
OXFORD FINANCE FUNDING TRUST 2012-01	\$6,411,836.84	100.00%
TOTAL	\$6,411,836.84	100.00%

Original Growth Capital Loans

<u>Lender</u>	<u>Commitment Amount; Outstanding Balance</u>	<u>Commitment Percentage</u>
OXFORD FINANCE FUNDING TRUST 2012-01	\$12,823,396.96	100.00%
TOTAL	\$12,823,396.96	100.00%

Tranche 3 Advance

<u>Lender</u>	<u>Commitment Amount</u>	<u>Commitment Percentage</u>
OXFORD FINANCE LLC	\$7,176,603.04	100.00%
TOTAL	\$7,176,603.04	100.00%

**Growth Capital Advances
(Aggregate)**

<u>Lender</u>	<u>Commitment Amount</u>	<u>Commitment Percentage</u>
OXFORD FINANCE FUNDING TRUST 2012-01	\$12,823,396.96	64.1169848%
OXFORD FINANCE LLC	\$ 7,176,603.04	35.8830152%
TOTAL	\$20,000,000.00	100.00%

**SECURED PROMISSORY NOTE
(Tranche 3 Advance)**

\$4,000,000.00

Dated: December 28, 2012

FOR VALUE RECEIVED, the undersigned, OMEROS CORPORATION, a Washington corporation (“**Borrower**”), HEREBY PROMISES TO PAY to the order of OXFORD FINANCE LLC (“**Lender**”) the principal amount of Four Million Dollars and 00/100 (\$4,000,000.00) or such lesser amount as shall equal the outstanding principal balance hereunder, plus interest on the aggregate unpaid principal amount hereunder, at the rates and in accordance with the terms of the Loan and Security Agreement dated as of October 21, 2010 by and among Borrower, Lender, and the other Lenders from time to time party thereto (as amended, restated, supplemented or otherwise modified from time to time, including by that certain Sixth Amendment to Loan and Security Agreement dated as of December 28, 2012, the “**Loan Agreement**”). If not sooner paid, the entire principal amount and all accrued and unpaid interest hereunder shall be due and payable on the Maturity Date as set forth in the Loan Agreement. Any capitalized term not otherwise defined herein shall have the meaning attributed to such term in the Loan Agreement.

Principal, interest and all other amounts due with respect to the Tranche 3 Advance, are payable in lawful money of the United States of America to Lender as set forth in the Loan Agreement and this Secured Promissory Note (this “**Note**”). The principal amount of this Note and the interest rate applicable thereto, and all payments made with respect thereto, shall be recorded by Lender and, prior to any transfer hereof, endorsed on the grid attached hereto which is part of this Note.

The Loan Agreement, among other things, (a) provides for the making of a secured Tranche 3 Advance by Lender to Borrower, and (b) contains provisions for acceleration of the maturity hereof upon the happening of certain stated events.

This Note may not be prepaid except as set forth in the Loan Agreement.

This Note and the obligation of Borrower to repay the unpaid principal amount of the Tranche 3 Advance, interest on the Tranche 3 Advance and all other amounts due Lender under the Loan Agreement is secured under the Loan Agreement.

Presentment for payment, demand, notice of protest and all other demands and notices of any kind in connection with the execution, delivery, performance and enforcement of this Note are hereby waived.

Borrower shall pay all reasonable fees and expenses, including, without limitation, reasonable attorneys’ fees and costs, incurred by Lender in the enforcement or attempt to enforce any of Borrower’s obligations hereunder not performed when due.

This Note shall be governed by, and construed and interpreted in accordance with, the internal laws of the State of California.

The ownership of an interest in this Note shall be registered on a record of ownership maintained by Lender or its agent. Notwithstanding anything else in this Note to the contrary, the right to the principal of, and stated interest on, this Note may be transferred only if the transfer is registered on such record of ownership and the transferee is identified as the owner of an interest in the obligation. Borrower shall be entitled to treat the registered holder of this Note (as recorded on such record of ownership) as the owner in fact thereof for all purposes and shall not be bound to recognize any equitable or other claim to or interest in this Note on the part of any other person or entity.

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IN WITNESS WHEREOF, Borrower has caused this Note to be duly executed by one of its officers thereunto duly authorized on the date hereof.

OMEROS CORPORATION

By: /s/ Gregory A. Demopoulos

Name: Gregory A. Demopoulos, M.D.

Title Chairman & CEO

SECURED PROMISSORY NOTE
(Tranche 3 Advance)

\$3,176,603.04

Dated: December 28, 2012

FOR VALUE RECEIVED, the undersigned, OMEROS CORPORATION, a Washington corporation ("**Borrower**"), HEREBY PROMISES TO PAY to the order of OXFORD FINANCE LLC ("**Lender**") the principal amount of Three Million One Hundred Seventy Six Thousand Six Hundred Three Dollars and 04/100 (\$3,176,603.04) or such lesser amount as shall equal the outstanding principal balance hereunder, plus interest on the aggregate unpaid principal amount hereunder, at the rates and in accordance with the terms of the Loan and Security Agreement dated as of October 21, 2010 by and among Borrower, Lender, and the other Lenders from time to time party thereto (as amended, restated, supplemented or otherwise modified from time to time, including by that certain Sixth Amendment to Loan and Security Agreement dated as of December 28, 2012, the "**Loan Agreement**"). If not sooner paid, the entire principal amount and all accrued and unpaid interest hereunder shall be due and payable on the Maturity Date as set forth in the Loan Agreement. Any capitalized term not otherwise defined herein shall have the meaning attributed to such term in the Loan Agreement.

Principal, interest and all other amounts due with respect to the Tranche 3 Advance, are payable in lawful money of the United States of America to Lender as set forth in the Loan Agreement and this Secured Promissory Note (this "**Note**"). The principal amount of this Note and the interest rate applicable thereto, and all payments made with respect thereto, shall be recorded by Lender and, prior to any transfer hereof, endorsed on the grid attached hereto which is part of this Note.

The Loan Agreement, among other things, (a) provides for the making of a secured Tranche 3 Advance by Lender to Borrower, and (b) contains provisions for acceleration of the maturity hereof upon the happening of certain stated events.

This Note may not be prepaid except as set forth in the Loan Agreement.

This Note and the obligation of Borrower to repay the unpaid principal amount of the Tranche 3 Advance, interest on the Tranche 3 Advance and all other amounts due Lender under the Loan Agreement is secured under the Loan Agreement.

Presentment for payment, demand, notice of protest and all other demands and notices of any kind in connection with the execution, delivery, performance and enforcement of this Note are hereby waived.

Borrower shall pay all reasonable fees and expenses, including, without limitation, reasonable attorneys' fees and costs, incurred by Lender in the enforcement or attempt to enforce any of Borrower's obligations hereunder not performed when due.

This Note shall be governed by, and construed and interpreted in accordance with, the internal laws of the State of California.

The ownership of an interest in this Note shall be registered on a record of ownership maintained by Lender or its agent. Notwithstanding anything else in this Note to the contrary, the right to the principal of, and stated interest on, this Note may be transferred only if the transfer is registered on such record of ownership and the transferee is identified as the owner of an interest in the obligation. Borrower shall be entitled to treat the registered holder of this Note (as recorded on such record of ownership) as the owner in fact thereof for all purposes and shall not be bound to recognize any equitable or other claim to or interest in this Note on the part of any other person or entity.

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IN WITNESS WHEREOF, Borrower has caused this Note to be duly executed by one of its officers thereunto duly authorized on the date hereof.

OMEROS CORPORATION

By: /s/ Gregory A. Demopoulos

Name: Gregory A. Demopoulos, M.D.

Title Chairman & CEO

ALLONGE TO SECURED PROMISSORY NOTE
(CLOSING DATE ADVANCE)

This Allonge amends, and is affixed to, the Secured Promissory Note (Closing Date Advance), dated October 21, 2010, in the original principal amount of Ten Million Dollars (\$10,000,000.00) made by Omeros Corporation to the order of Oxford Finance LLC (successor in interest to Oxford Finance Corporation) and attached hereto as Exhibit 1 (the "Note"). The Note was subsequently assigned to and is presently held by Oxford Finance Funding Trust 2012-01 ("Holder").

The Note hereby is amended as follows:

The second paragraph of the Note hereby is amended and restated in its entirety to read as follows:

"On the Maturity Date (or upon earlier repayment, whether as a result of acceleration or otherwise) the Final Payment and the Prepayment Fee, as applicable (each as defined in and subject to the terms and conditions of the Loan Agreement) shall be due and payable by Borrower to Lender."

The foregoing amendment shall have the same force and effect as though it were written directly into the Note. The Holder is hereby instructed to attach this Allonge to the Note.

Dated: December 28, 2012

Oxford Finance Funding Trust 2012-01

By: Oxford Finance LLC, as servicer

By: /s/ Mark Davis

Print Name: Mark Davis

Title: Vice President - Finance, Secretary & Treasurer

Omeros Corporation

By: /s/ Gregory A. Demopoulos

Print Name: Gregory A. Demopoulos, M.D.

Title: Chairman & CEO

[Allonge to Secured Promissory Note (Closing Date Advance)]

Exhibit 1
SECURED PROMISSORY NOTE
(CLOSING DATE ADVANCE)

\$10,000,000

Dated: October 21, 2010

FOR VALUE RECEIVED, the undersigned, OMEROS CORPORATION, a Washington corporation (“Borrower”), HEREBY PROMISES TO PAY to the order of OXFORD FINANCE CORPORATION (“Lender”) the principal amount of Ten Million Dollars (\$10,000,000) or such lesser amount as shall equal the outstanding principal balance of the Growth Capital Advance made to Borrower by Lender pursuant to the Loan Agreement (defined below), and to pay all other amounts due with respect to the Growth Capital Advance on the dates and in the amounts set forth in the Loan Agreement. Capitalized terms, unless defined in this Secured Promissory Note (this “Note”), shall have the meaning given such capitalized term in the Loan Agreement.

Interest on the principal amount of this Note from the date of this Note shall accrue at 8.55% per annum based on a 360-day year of twelve 30-day months or, if applicable, the Default Rate. Commencing on November 1, 2011, and continuing on the first day of each successive calendar month thereafter, Borrower shall make to Lender thirty-six (36) equal payments of principal and accrued interest on the then outstanding principal amount. Any and all remaining principal and interest shall be due and payable on the Maturity Date. In addition to the foregoing payments, on the Maturity Date (or upon earlier repayment, whether as a result of acceleration or otherwise) the Final Payment and the Prepayment Fee, as applicable (each as defined in and subject to the terms and conditions of the Loan Agreement) shall be due and payable by Borrower to Lender.

Principal, interest and all other amounts due with respect to the Growth Capital Advance, are payable in lawful money of the United States of America to Lender as set forth in the Loan Agreement. The principal amount of this Note and the interest rate applicable thereto, and all payments made with respect thereto, shall be recorded by Lender and, prior to any transfer hereof, endorsed on the grid attached hereto which is part of this Note.

This Note is the Note referred to in, and is entitled to the benefits of, the Loan and Security Agreement, dated as of October 21, 2010, to which Borrower and Lender are parties (as amended from time to time, the “Loan Agreement”). The Loan Agreement, among other things, (a) provides for the making of this secured Growth Capital Advance to Borrower, and (b) contains provisions for acceleration of the maturity hereof upon the happening of certain stated events.

This Note may not be prepaid except as provided in the Loan Agreement. This Note and the obligation of Borrower to repay the unpaid principal amount of the Growth Capital Advance, interest on the Growth Capital Advance and all other amounts due Lender under the Loan Agreement is secured under the Loan Agreement.

Presentment for payment, demand, notice of protest and all other demands and notices of any kind in connection with the execution, delivery, performance and enforcement of this Note are hereby waived.

Borrower shall pay all reasonable fees and expenses, including, without limitation, reasonable attorneys’ fees and costs, incurred by Lender in the enforcement or attempt to enforce any of Borrower’s obligations hereunder not performed when due. This Note shall be governed by, and construed and interpreted in accordance with, the laws of the State of California.

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IN WITNESS WHEREOF, the parties hereto have caused this Note to be executed as of the Closing Date.

OMEROS CORPORATION

By: /s/ Gregory A. Demopoulos

Name: Gregory A. Demopoulos, M.D.

Title: Chairman & CEO

ALLONGE TO SECURED PROMISSORY NOTE
(TRANCHE 2 ADVANCE)

This Allonge amends, and is affixed to, the Secured Promissory Note (Tranche 2 Advance), dated March 25, 2011, in the original principal amount of Ten Million Dollars (\$10,000,000.00) made by Omeros Corporation to the order of Oxford Finance LLC (successor in interest to Oxford Finance Corporation) and attached hereto as Exhibit 1 (the "Note"). The Note was subsequently assigned to and is presently held by Oxford Finance Funding Trust 2012-01 ("Holder").

The Note hereby is amended as follows:

The second paragraph of the Note hereby is amended and restated in its entirety to read as follows:

"On the Maturity Date (or upon earlier repayment, whether as a result of acceleration or otherwise) the Final Payment and the Prepayment Fee, as applicable (each as defined in and subject to the terms and conditions of the Loan Agreement) shall be due and payable by Borrower to Lender."

The foregoing amendment shall have the same force and effect as though it were written directly into the Note. The Holder is hereby is instructed to attach this Allonge to the Note.

Dated: December 28, 2012

Oxford Finance Funding Trust 2012-01

By: Oxford Finance LLC, as servicer

By: /s/ Mark Davis

Print Name: Mark Davis

Title: Vice President - Finance, Secretary & Treasurer

Omeros Corporation

By: /s/ Gregory A. Demopoulos

Print Name: Gregory A. Demopoulos, M.D.

Title: Chairman & CEO

Exhibit 1
SECURED PROMISSORY NOTE
(TRANCHE 2 ADVANCE)

\$10,000,000

Dated: March 25, 2011

FOR VALUE RECEIVED, the undersigned, OMEROS CORPORATION, a Washington corporation (“Borrower”), HEREBY PROMISES TO PAY to the order of OXFORD FINANCE CORPORATION (“Lender”) the principal amount of Ten Million Dollars (\$10,000,000) or such lesser amount as shall equal the outstanding principal balance of the Growth Capital Advance made to Borrower by Lender pursuant to the Loan Agreement (defined below), and to pay all other amounts due with respect to the Growth Capital Advance on the dates and in the amounts set forth in the Loan Agreement. Capitalized terms, unless defined in this Secured Promissory Note (this “Note”), shall have the meaning given such capitalized term in the Loan Agreement.

Interest on the principal amount of this Note from the date of this Note shall accrue at 8.558% per annum based on a 360-day year of twelve 30-day months or, if applicable, the Default Rate. Commencing on November 1, 2011, and continuing on the first day of each successive calendar month thereafter, Borrower shall make to Lender thirty-six (36) equal payments of principal and accrued interest on the then outstanding principal amount. Any and all remaining principal and interest shall be due and payable on the Maturity Date. In addition to the foregoing payments, on the Maturity Date (or upon earlier repayment, whether as a result of acceleration or otherwise) the Final Payment and the Prepayment Fee, as applicable (each as defined in and subject to the terms and conditions of the Loan Agreement) shall be due and payable by Borrower to Lender.

Principal, interest and all other amounts due with respect to the Growth Capital Advance, are payable in lawful money of the United States of America to Lender as set forth in the Loan Agreement. The principal amount of this Note and the interest rate applicable thereto, and all payments made with respect thereto, shall be recorded by Lender and, prior to any transfer hereof, endorsed on the grid attached hereto which is part of this Note.

This Note is the Note referred to in, and is entitled to the benefits of, the Loan and Security Agreement, dated as of October 21, 2010, to which Borrower and Lender are parties (as amended from time to time, the “Loan Agreement”). The Loan Agreement, among other things, (a) provides for the making of this secured Growth Capital Advance to Borrower, and (b) contains provisions for acceleration of the maturity hereof upon the happening of certain stated events.

This Note may not be prepaid except as provided in the Loan Agreement. This Note and the obligation of Borrower to repay the unpaid principal amount of the Growth Capital Advance, interest on the Growth Capital Advance and all other amounts due Lender under the Loan Agreement is secured under the Loan Agreement.

Presentment for payment, demand, notice of protest and all other demands and notices of any kind in connection with the execution, delivery, performance and enforcement of this Note are hereby waived.

Borrower shall pay all reasonable fees and expenses, including, without limitation, reasonable attorneys’ fees and costs, incurred by Lender in the enforcement or attempt to enforce any of Borrower’s obligations hereunder not performed when due. This Note shall be governed by, and construed and interpreted in accordance with, the laws of the State of California.

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IN WITNESS WHEREOF, the parties hereto have caused this Note to be executed as of the first date above written.

OMEROS CORPORATION

By: /s/ Gregory A. Demopoulos

Name: Gregory A. Demopoulos, M.D.

Title: Chairman & CEO