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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): April 30, 2008

MEDICINOVA, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-33185
(Commission File Number)

33-0927979
(IRS Employer
Identification No.)

**4350 La Jolla Village Drive, Suite 950
San Diego, CA 92122**
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (858) 373-1500

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- 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 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(b) Kenneth W. Locke, Ph.D. has resigned from his position with MediciNova, Inc. (the “**Company**”) as the Company’s Chief Scientific Officer, effective April 30, 2008.

Dr. Locke and the Company have entered into a Severance Agreement and Release (“**Severance Agreement**”) that, subject to the terms and conditions thereof, will provide for payment of certain amounts. Pursuant to the Severance Agreement, Dr. Locke will receive: (i) \$200,265.00 to be paid in equal monthly installments over the nine month period of May 2008 through January 2009; (ii) an amount equal to 70% of the average of Dr. Locke’s annual bonus for the years 2006 and 2007, in the gross amount of \$38,290.00; and (iii) during the period of May 2008 to January 2009, continuation of employee benefits for Dr. Locke and his dependents in the same manner and at the same contribution rate in effect immediately prior to Dr. Locke’s resignation, with the exception that such benefits may be terminated by the Company if and when Dr. Locke obtains substantially similar benefits through other employment. Dr. Locke has agreed to release the Company and certain related parties, including the Company’s officers, directors and employees, from all claims and liabilities under federal and state laws arising prior to the separation date, and Dr. Locke has reaffirmed that he will continue to abide by the Proprietary Information and Inventions Agreement he entered into with the Company dated September 26, 2000. A copy of the Severance Agreement is attached hereto as Exhibit 10.1 and incorporated herein by reference.

Dr. Locke and the Company have also entered into a Consulting Agreement, effective May 1, 2008, pursuant to which Dr. Locke will continue to provide services to the Company for a period of one year, subject to earlier termination for breach, at a rate of \$250 per hour and subject to a maximum of \$2,500 per day, with a minimum of one day of services at \$2,500 per day to be paid per month. A copy of the Consulting Agreement is attached hereto as Exhibit 10.2 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit</u>	<u>Description</u>
10.1	Severance Agreement and Release, dated as of April 30, 2008, by and between MediciNova, Inc. and Kenneth W. Locke, Ph.D.
10.2	Consulting Agreement, dated as of May 1, 2008, by and between MediciNova, Inc. and Kenneth W. Locke, Ph.D.

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.

MEDICINOVA, INC.

Dated: April 30, 2008

By: /s/ Shintaro Asako
Shintaro Asako
Vice President and Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit</u>	<u>Description</u>
10.1	Severance Agreement and Release, dated as of April 30, 2008, by and between MediciNova, Inc. and Kenneth W. Locke, Ph.D.
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SEVERANCE AGREEMENT AND RELEASE

This Severance Agreement and Release (this "**Agreement**") is entered into by and between Kenneth W. Locke, Ph.D., ("**Locke**") and MediciNova, Inc. a Delaware corporation ("**Employer**"), with regard to the following:

A. Whereas, Locke served in various capacities as an officer and employee of Employer, most recently as Chief Scientific Officer of Employer until such employment was terminated by mutual agreement of Locke and Employer effective as of April 30, 2008 (the "**Termination Date**"); and

B. Whereas, Locke and Employer are parties to that certain Executive Employment Agreement, dated as of September 26, 2000, as amended by a letter agreement, dated as of July 30, 2003 (the "**Employment Agreement**"), providing for certain rights and responsibilities on the part of Locke and Employer.

NOW, THEREFORE, the parties hereto agree as follows:

1. **Severance Payments.** In consideration of the covenants and promises contained in this Agreement and as full and final satisfaction of all obligations Employer owes to Locke under the Employment Agreement or otherwise, Employer shall pay to Locke as severance payments the following amounts, less appropriate deductions and withholdings:

(a) Compensation representing the amount Locke would have been entitled to in salary for May 2008 through January 2009 under the Employment Agreement in the aggregate gross amount of \$200,265.00, to be paid in equal monthly installments over the nine (9) month period of May 2008 through January 2009, the first of which is to be paid on the date of the Company's first regularly scheduled payroll date following the Effective Date;

(b) Continuation of employee benefits for Locke and his dependents in the same manner and contribution rate that such benefits are in effect as of the Termination Date for the period during which severance payments are made pursuant to Subparagraph (a), with the exception that Employer will be allowed to discontinue employee benefits for Locke and his dependents if and when Locke obtains, through other employment, employee benefits for himself and his dependents in substantially the same manner and at a substantially similar contribution rate, with such discontinuance by Employer made only so as to provide no interruption in coverage; and

(c) 70% of the average of Locke's annual bonus for 2006 and 2007, in the gross amount of \$38,290.00, to be paid on the date of the Company's first regularly scheduled payroll date following the Effective Date.

2. **Consulting Agreement.** In connection with and as a condition to the execution of this Agreement, the parties agree to enter into a consulting agreement substantially in the form attached hereto as Exhibit A (the "**Consulting Agreement**"), pursuant to which Locke will continue to provide services to Employer. Under the terms of the Option Agreements by which options to purchase shares of Employer's Common Stock were granted to Locke pursuant to Employer's Amended and Restated 2004 Stock Incentive Plan, so long as Locke continues to

provide services to Employer pursuant to the Consulting Agreement, options to purchase shares of Employer's Common Stock granted to Locke pursuant such Option Agreements shall continue to vest according to the original vesting schedule set forth in such options and Locke will be considered to have ceased to provide services to Employer only upon the expiration of the Consulting Agreement.

3. Release. In consideration of the above described payments and benefits, Locke does hereby unconditionally, irrevocably and absolutely release and discharge Employer, and all related subsidiary entities, and their affiliates, directors, officers, employees, agents, attorneys, stockholders, insurers, successors and/or assigns, from any and all liability, claims, demands, causes of action, or suits of any type, whether in law and/or in equity, known or unknown, related directly or indirectly or in any way connected with any transaction, affairs or occurrences between them to date, including, but not limited to, Locke's employment with Employer and the termination of said employment. This release shall include but not be limited to a release of claims arising under any state or federal statute or common law regulating or affecting employment, including Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans with Disabilities Act, the Equal Pay Act, the Fair Labor Standards Act, the California Labor Code, the California Fair Employment and Housing Act, and any other statutory or common law provision relating to or affecting Locke's employment by Employer, including any federal or state statutory provision covering any age discrimination in any form by Employer against Locke, except any claim for worker's compensation. However, Locke's other rights, including but not limited to, those as a stockholder of Employer, if applicable, are specifically excluded from this release.

4. Claims. In further consideration of the above described payments and benefits, Locke irrevocably and absolutely agrees that he will not prosecute nor allow to be prosecuted on his behalf in any administrative agency, whether federal or state, or in any court, whether federal or state, any claim or demand of any type related to the matter release above. It is the intention of the parties that, with the execution of this Agreement, Employer and all related entities, and their affiliates, officers, directors, employees, agents, attorneys, stockholders, insurers, successors and/or assigns will be absolutely, unconditionally and forever discharged of and from all obligations to or on behalf of Locke related in any way to the matter discharged herein. Locke represents that he has not filed any complaint, charges or lawsuits against Employer and all related subsidiary entities (including their affiliates, officers, directors, and employees) with any governmental agency or any court.

5. Unknown Claims. Locke understands and agrees that this release extends to all claims of every nature, known or unknown, suspected or unsuspected, past or present, and that any and all rights granted to Locke under section 1542 of the California Civil Code or any analogous federal law or regulation are hereby expressly waived. Said section 1542 of the California Civil Code reads as follows:

"A general release does not extend to claims which the creditor does not know of or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

Notwithstanding any provisions of this Agreement to the contrary, Locke does not waive any right or release any claim against Employer which claim or right arises from Employer failing to perform its undertakings as set forth in this Agreement and/or may arise after the date Locke executes this release including, without limitation, Locke's rights, if any, pursuant to 29 U.S.C. §1161 *et. seq.*, commonly known as "COBRA."

6. Effect on Previous or Existing Agreements. This Agreement is intended to resolve any and all issues between Employer and Locke, including, without limitation, any and all claims for wages, severance pay, compensation, benefits, or other aspects of the employment relationship between Employer and Locke. Except as set forth in this Section 6, this Agreement shall supersede and extinguish all prior employment agreements, express or implied, verbal or written, between Employer and Locke; provided, however, that this Agreement shall have no effect on (i) that certain Proprietary Information and Invention Agreement, dated as of September 26, 2000, and (ii) any stock option agreements (except as expressly provided above). This Agreement shall also not in any way supersede or affect any obligation of Locke, contractual or otherwise, with respect to the disclosure, use or protection of any proprietary or confidential information of Employer, including any trade secrets, or with respect to the disclosure and assignment of inventions made or conceived by Locke during his employment. All previous written agreements and obligations imposed by any contract relating to the intellectual property of Employer or its subsidiary or affiliated entities shall remain in full force and effect and survive the execution of this Agreement.

7. Return of Company Property. Employee shall immediately return any company property in his possession, including without limitation all company-owned computers, cellular telephones, and any other company property in his possession. All such property shall be returned in good working condition and order.

8. Non-Disparagement. Locke and Employer each agree that he or it shall not make any oral or written statements or knowingly make any comments, whether privately or publicly, which in fact or by implication tend to disparage the other or are inimical to the interests of the other.

9. Binding Effect. Locke further declares and represents that no promise, inducement or agreement not expressed herein has been made to him and that this Agreement contains the entire agreement between the parties relating to the subject matter hereof.

10. Successors. Employer and Locke understand and expressly agree that this Agreement shall bind and benefit the heirs, partners, successors, employees, directors, stockholders, officers, attorneys, affiliates, predecessors, representatives and assigns of Employer and Locke.

11. Publicity. The parties hereto agree not to divulge or publicize the existence of this Agreement or the terms hereof except as may be necessary to enforce this Agreement or as may be required by law. In case of such required disclosures, each party shall promptly inform the other of such disclosure in writing prior to said disclosures.

12. Interpretation. The validity, interpretation, and performance of this Agreement shall be construed and interpreted according to the laws of the State of California. This Agreement

shall not be interpreted for or against either party hereto on the ground that such party drafted or caused this Agreement to be drafted. If any provision of this Agreement, or part thereof, is held invalid, void or voidable as against the public policy or otherwise, the invalidity shall not affect other provisions, or parts thereof, which may be given effect without the invalid provision or part. To this extent, the provisions, and parts thereof, of this Agreement are declared to be severable.

13. Resolution of Employment Related Disputes. Except as prohibited by law, any dispute arising from any aspect of the employment relationship with Employer shall be resolved through final and binding arbitration in San Diego, California. All employment disputes of any nature shall be covered by this Agreement, except as prohibited by law. The law applicable to any controversy to be arbitrated shall be the law of the state of California or applicable federal law, except that the Federal Arbitration Act shall apply to the issue of arbitrability. The arbitration shall be conducted by a single neutral arbitrator selected by the parties from a list maintained and provided by the American Arbitration Association (“AAA”) or Judicial Arbitration and Mediation Services (“JAMS”). Locke shall not be required to pay any administrative fees of the AAA or JAMS. Any administrative fees or arbitrator’s fees will be paid by Employer. The arbitrator shall have no power to award costs and attorneys’ fees except as provided by statute or by separate written agreement between the parties. Notwithstanding the foregoing, nothing herein shall preclude either party from seeking, on a temporary basis, relief from a court in a dispute involving the ownership, use or disclosure of confidential or proprietary information or trade secrets, until such time as an arbitrator can be selected. Once selected, the arbitrator shall have the power to continue, vacate, modify or amend any temporary or interim relief, and shall have the power to resolve the dispute. In the event that any aspect of this arbitration provision is found unenforceable by a court of competent jurisdiction, the remainder of the arbitration provision shall be severed from the invalid portion and the remaining portion shall be given full effect according to its terms. This arbitration provision shall supersede any and all prior agreements between Employer and Locke on the subject of arbitration of employment-related claims.

14. No Admissions. It is agreed that this Agreement is not an admission of any liability or fault whatsoever by either Employer or Locke.

15. Execution and Revocation Periods. Locke acknowledges and agrees that the Severance Payments set forth in Section 2 constitute consideration beyond that which, but for the mutual covenants set forth in this Agreement, Employer would be obligated to provide, or Locke otherwise would be entitled to receive. Locke acknowledges that he has twenty-one (21) days after actual receipt of this Agreement in which to consider and execute this Agreement. Changes to this Agreement, whether material or immaterial, do not restart the 21-day period. Locke agrees and acknowledges that if he chooses to sign this Agreement before 21 days after he received it, that he has done so voluntarily. Furthermore, Locke has a period of seven (7) days following the execution of this Agreement in which to revoke this Agreement. Accordingly, this Agreement will not become effective or enforceable (and the severance payments will not be paid or recognized) until such 7-day revocation period has expired and the Termination Date has passed (the “**Effective Date**”).

16. Counsel. Locke acknowledges that he fully understands his right to discuss this Agreement with independent counsel of his choice, that he is encouraged to do so, that he has carefully read and fully understands this entire Agreement and that he is voluntarily entering into this Agreement.

[SIGNATURE PAGE FOLLOWS]

The undersigned have executed this Agreement as of April 30, 2008 at San Diego, California.

MEDICINOVA, INC.

/s/ Kenneth W. Locke, Ph.D.

Kenneth W. Locke, Ph.D.

Dated: April 16, 2008

By: /s/ Shintaro Asako

Name: Shintaro Asako

Title: Chief Financial Officer

Dated: April 16, 2008

CONSULTING AGREEMENT

This Consulting Agreement (this "**Agreement**"), dated as of May 1, 2008 (the "**Effective Date**"), is by and between MediciNova, Inc., a Delaware corporation, (the "**Company**") and Kenneth W. Locke, Ph.D., an individual (the "**Consultant**").

WITNESSETH:

WHEREAS, the Company agreed to retain the services of the Consultant to provide consulting services in connection with, among other things, the Company's drug development activities (the "**Services**"); and

WHEREAS, the Company and the Consultant mutually desire to reduce their on-going business relationship to a writing under the terms hereof.

NOW, THEREFORE, in consideration of the premises and the covenants herein contained, the parties hereto do hereby agree as follows:

1. TERM

The Company hereby retains the Consultant for a term of one (1) year commencing on the Effective Date and subject to any earlier termination pursuant to Section 6 hereof (the "**Term**").

2. DUTIES

Subject at all times to the consultation with the Chief Executive Officer, the Chief Development Officer, the Chief Financial Officer and the Company's Board of Directors (the "**Board**") or their designated representatives, the Consultant shall be retained as a consultant to assist and advise the Company in connection with the Company's drug development activities.

3. PROPRIETARY INFORMATION AND INVENTIONS AGREEMENT

The Consultant agrees and acknowledges that he continues to be bound by the terms and conditions of that certain Proprietary Information and Invention Agreement, dated as of September 26, 2000, by and between the Company and the Consultant, and that such agreement is still in full force and effect.

4. LOYALTY OBLIGATIONS

The Consultant agrees that during the Term Consultant shall not induce or attempt to induce any person who is an employee, agent or consultant of the Company to leave the employ of the Company.

5. COMPENSATION

The Company shall pay to the Consultant for the Services compensation as follows:

- (a) a fee of \$250 per hour, subject to a maximum of \$2,500 per day, with a minimum of one day of Services at \$2,500 per day to be paid per month;
- (b) notwithstanding the hourly fee set forth in clause (a) above, a maximum of \$1,250 per day for time spent solely in travel at the request of Employer; and
- (c) reimbursement of all ordinary and necessary out-of-pocket expenses related to the Services will be reimbursed to the Consultant upon submission of the invoices and/or receipts therefor sufficient for United States Federal Income Tax purposes.

The Consultant shall invoice the Company on a monthly basis by the tenth (10th) day of each month, for the amounts payable in accordance with this Section. The Consultant agrees to pay such invoices within thirty (30) days of receipt. Each invoice shall include a general description of the services performed and/or the expenses incurred. All fees for the services shall be paid without any deduction including, without limitation, any deduction for social security, federal or state or withholding taxes or unemployment insurance. The Consultant acknowledges that he is responsible for the proper reporting and payment of all taxes on such fees.

6. TERMINATION

This Agreement may be terminated by either party with immediate effect upon written notice to the other in the event of the other party's breach of any of the terms of this Agreement which shall not have been remedied within fourteen (14) days of written notice with request to do so.

7. RELATIONSHIP OF PARTIES

(a) It is hereby agreed between the parties that the Consultant is an independent contractor, he is not an officer, affiliate or employee of the Company, or a broker or dealer, for any purpose whatsoever.

(b) None of the benefits provided by the Company to its employees, including but not limited to medical, life, accident, or disability insurance, pension or profit sharing plans, unemployment or Worker's Compensation, are available to the Consultant. No withholding of federal or state income taxes, social security or related contributions shall be made from payments made to the Consultant, and the Consultant shall be solely responsible for payment of any such taxes or contributions due on account of payments received under this Agreement.

8. NOTICES

Any notice or other communication under this Agreement shall be in writing and shall be deemed to have been given when delivered personally against receipt therefor or when mailed via registered or certified mail as follows:

(a) To the Company:

MediciNova, Inc.
4350 La Jolla Village Drive, Suite 950
San Diego, CA 92122
Attn: Yuichi Iwaki, M.D., Ph.D.
President and CEO

(b) To the Consultant:

Kenneth W. Locke, Ph.D.

or to such other address as either party shall have given by notice hereunder to the other.

9. ENTIRE AGREEMENT; MODIFICATION

This Agreement contains the entire agreement of the parties relating to the subject matter hereof and the parties hereto have made no agreements, representations or warranties relating to the subject matter of this Agreement, which are not set forth herein. No modification of this Agreement shall be valid unless made in writing and signed by the parties hereto.

10. BINDING EFFECT

The Company represents and warrants to the Consultant that the retention of the Consultant under this Agreement and the execution, delivery and performance by the Company of this Agreement has been duly authorized by the Company and that this Agreement constitutes the valid, legally binding obligation of the Company. The rights, benefits, duties and obligations under this Agreement shall inure to, and be binding upon, the Company, and its respective successors and assigns and upon the Consultant and his representatives, heirs, and legatees. The Consultant may not assign his obligations hereunder. No assignment of this Agreement by the Company shall relieve the Company of its obligations hereunder without the prior written consent of the Consultant.

11. RESOLUTION OF CONSULTING RELATED DISPUTES

Except as prohibited by law, any dispute arising from any aspect of the consulting relationship with the Company shall be resolved through final and binding arbitration in San Diego, California. All disputes of any nature shall be covered by this Agreement, except as prohibited by law. The law applicable to any controversy to be arbitrated shall be the law of the state of California or applicable federal law, except that the Federal Arbitration Act shall apply to the issue of arbitrability. The arbitration shall be conducted by a single neutral arbitrator selected by the parties from a list maintained and provided by the American Arbitration Association (“AAA”) or Judicial Arbitration and Mediation Services (“JAMS”). The Consultant shall not be required to pay any administrative fees of the AAA or JAMS. Any administrative fees or arbitrator’s fees will be paid by the Company. The arbitrator shall have no power to award costs

and attorneys' fees except as provided by statute or by separate written agreement between the parties. Notwithstanding the foregoing, nothing herein shall preclude either party from seeking, on a temporary basis, relief from a court in a dispute involving the ownership, use or disclosure of confidential or proprietary information or trade secrets, until such time as an arbitrator can be selected. Once selected, the arbitrator shall have the power to continue, vacate, modify or amend any temporary or interim relief, and shall have the power to resolve the dispute. In the event that any aspect of this arbitration provision is found unenforceable by a court of competent jurisdiction, the remainder of the arbitration provision shall be severed from the invalid portion and the remaining portion shall be given full effect according to its terms. This arbitration provision shall supersede any and all prior agreements between the Company and the Consultant on the subject of arbitration of employment-related claims.

12. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the State of California and in the event of a dispute, the Parties hereby agree to submit to the personal jurisdiction of the state and federal courts of the State of California.

13. HEADINGS

The headings of the paragraphs herein are inserted for convenience and shall not affect any interpretation of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above mentioned.

MediciNova, Inc.

By: /s/ Shintaro Asako
Shintaro Asako
Chief Financial Officer

Consultant

/s/ Kenneth W. Locke
Kenneth W. Locke, Ph.D.