
**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): June 26, 2009

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 (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

As previously disclosed, Richard E. Gammans, Ph.D. resigned from his position as Chief Development Officer of MediciNova, Inc. (the "Company") on June 12, 2009. Dr. Gammans has entered into a Separation Agreement and Release dated June 26, 2009 (the "Separation Agreement") with the Company that, subject to the terms and conditions thereof, provides for the lump sum payments to Dr. Gammans of (a) \$292,263.75, which equals the salary that he would have received through March 12, 2010, and (b) \$4,000.00 to help defray certain lease and relocation costs. In addition, through March 12, 2010, the Company will pay the applicable health insurance premiums to continue his medical benefits in the same manner that such benefits were in effect immediately prior to Dr. Gammans' resignation, with the exception that the Company may discontinue paying such premiums if and when he receives medical benefits from another employer. As part of the Separation Agreement, Dr. Gammans 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 date of the Separation Agreement, and he has reaffirmed that he will continue to abide by his Proprietary Information and Inventions Agreement dated June 14, 2004. A copy of Dr. Gammans' Separation Agreement is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

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

See Item 1.01 above for information regarding Dr. Gammans' entrance into the Separation Agreement with the Company.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits.*

10.1 Separation Agreement and Release dated June 26, 2009, by and between MediciNova, Inc. and Richard E. Gammans, Ph.D.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MEDICINOVA, INC.

Date: July 2, 2009

By: /s/ Shintaro Asako

Name: Shintaro Asako

Title: Chief Financial Officer

SEPARATION AGREEMENT AND RELEASE

This Separation Agreement and Release (this "**Agreement**") is entered into by and between Richard E. Gammans, Ph.D., ("**Gammans**") and MediciNova, Inc. a Delaware corporation (the "**Company**"), with regard to the following:

A. Whereas, Gammans served in various capacities as an officer and employee of the Company, most recently as Chief Development Officer of the Company, until June 12, 2009 (the "**Separation Date**"); and

B. Whereas, Gammans and the Company are parties to that certain Executive Employment Agreement, dated as of June 14, 2004 (the "**Employment Agreement**"), providing for certain rights and responsibilities on the part of Gammans and the Company.

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 the Company owes to Gammans under the Employment Agreement or otherwise, the Company shall pay to Gammans, or on Gammans' behalf, as severance payments the following amounts, less appropriate deductions and withholdings:

(a) Provided Gammans executes this Agreement and after the Effective Date (as defined below), compensation representing the amount Gammans would have received as salary for June 12, 2009 through March 12, 2010 under the Employment Agreement in the aggregate gross amount of \$292,263.75, less income and employment taxes required in the judgment of the Company to be deducted or withheld, to be paid on the date of the Company's first regularly scheduled payroll date following the Effective Date;

(b) Provided Gammans timely elects continuation coverage pursuant to the provisions relating to the Consolidated Omnibus Budget Reconciliation Act of 1985 ("**COBRA**") of the Company's group health plan, and provided that Gammans executes this Agreement, after the Effective Date, the Company will pay the applicable COBRA premium to continue medical benefits for Gammans and his dependents in the same manner that such benefits are in effect as of the Separation Date for the nine (9) month period of June 12, 2009 through March 12, 2010 (thereafter Gammans shall, to the extent he remains eligible for such benefits, be responsible for paying the applicable COBRA premium), with the exception that the Company's payment of premiums pursuant to this Section and such benefits will be discontinued if and when Gammans obtains medical benefits pursuant to a group health plan of another employer; and

(c) Provided Gammans executes this Agreement, and on the date of the Company's first regularly scheduled payroll date following the Effective Date, a lump sum payment of aggregate of \$4,000.00 to help defray certain lease and relocation costs.

2. **Release.** In consideration of the above described payments and benefits to which Gammans would not otherwise be entitled, Gammans does hereby unconditionally, irrevocably and absolutely release and discharge the Company, 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, Gammans' employment with the Company 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 of 1967, the Americans with Disabilities Act of 1990, the Equal Pay Act of 1963, the Fair Labor Standards Act of 1938, the California Labor Code, the California Fair Employment and Housing Act and any other statutory or common law provision relating to or affecting Gammans' employment by the Company, each as amended through the date hereof, including any federal or state statutory provision covering any age discrimination in any form by the Company against Gammans, except any claim for worker's compensation. Nothing herein is intended to affect any right that Gammans may have, if any, to defense and/or indemnification by the Company under the Company's Amended and Restated Bylaws dated February 4, 2005 or Gammans' Indemnification Agreement dated February 4, 2005 in the event that Gammans is sued for acts committed in the course and scope of his employment for the Company.

3. Claims. In further consideration of the above described payments and benefits, Gammans 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, the Company 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 Gammans related in any way to the matter discharged herein. Gammans represents that he has not filed any complaint, charges or lawsuits against the Company and all related subsidiary entities (including their affiliates, officers, directors, and employees) with any governmental agency or any court.

4. Unknown Claims. Gammans 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 Gammans 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, Gammans does not waive any right or release any claim against the Company which claim or right arises from the Company failing to perform its undertakings as set forth in this Agreement and/or may arise after the date Gammans executes this release including Gammans' rights, if any, pursuant to COBRA.

5. Effect on Previous or Existing Agreements. This Agreement is intended to resolve any and all issues between the Company and Gammans, including any and all claims for wages, severance pay, compensation, benefits or other aspects of the employment relationship between the Company and Gammans. Except as set forth in this Section 5, this Agreement shall supersede and extinguish all prior employment agreements, express or implied, verbal or written, between the Company and Gammans; provided, however, that this Agreement shall have no effect on (i) that certain Proprietary Information and Inventions Agreement, dated as of June 14, 2004, (ii) any stock option agreements and (iii) with respect solely to acts committed in the course and scope of his employment for the Company, Gammans' Indemnification Agreement dated February 4, 2005. This Agreement shall also not in any way supersede or affect any obligation of Gammans, contractual or otherwise, with respect to the disclosure, use or protection of any proprietary or confidential information of the Company, including any trade secrets, or with respect to the disclosure and assignment of inventions made or conceived by Gammans during his employment. All previous written agreements and obligations imposed by any contract relating to the intellectual property of the Company or its subsidiaries or affiliated entities shall remain in full force and effect and survive the execution of this Agreement.

6. Return of Company Property. Gammans shall immediately return any company property in his possession, including all company-owned computers and cellular telephones. All such property shall be returned in good working condition and order.

7. Non-Disparagement. Gammans and the Company 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. In the event the Company is contacted for employment references regarding Gammans, the Company shall provide only the dates of employment and positions held.

8. Binding Effect. Gammans 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. This Agreement may be modified only by a writing signed by both Gammans and the Company.

9. Successors. The Company and Gammans 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 the Company and Gammans.

10. 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.

11. Resolution of Employment Related Disputes. Except as prohibited by law, any dispute arising from any aspect of the employment relationship with the Company 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”). Gammans 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 Gammans on the subject of arbitration of employment-related claims.

12. No Admissions. It is agreed that this Agreement is not an admission of any liability or fault whatsoever by either the Company or Gammans.

13. Execution and Revocation Periods. Gammans acknowledges and agrees that the severance payments set forth in Section 1 constitute consideration beyond that which, but for the mutual covenants set forth in this Agreement, the Company would be obligated to provide, or Gammans otherwise would be entitled to receive. Gammans 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. Gammans 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, Gammans 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 Separation Date has passed (the “**Effective Date**”).

14. Counsel. Gammans 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.

15. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

16. Acknowledgments Related to Compensation and Benefits. Gammans acknowledges that he is not entitled to receive any wages, benefits, bonuses, commissions or compensation, however characterized, other than the amounts provided for in Section 1 above, which he will receive provided that he will have returned to the Company an executed copy of the Agreement after the Effective Date of Agreement.

17. Notices. Any notices required or permitted hereunder shall be given to the appropriate party at the address specified at below (or at such other address as the party shall specify in writing). Such notice shall be deemed given either (a) upon personal delivery, (b) one (1) business day after being sent by overnight delivery service or (c) on the day of transmission by facsimile, provided that the notifying party confirms receipt of such transmission with the other party by telephone.

If to MediciNova: MediciNova, Inc.
 4350 La Jolla Village Drive, Suite 950
 San Diego, CA 92122
 Attention: Shintaro Asako
 Telephone: 858-373-1500
 Fax: 858-373-7000
 Email: asako@medicinova.com

If to Gammans: Richard E. Gammans, Ph.D.

[SIGNATURE PAGE FOLLOWS]

The undersigned have executed this Agreement as of June 26, 2009 at San Diego, California.

MEDICINOVA, INC.

/s/ Richard E. Gammans

Richard E. Gammans, Ph.D.

By: /s/ Shintaro Asako

Name: Shintaro Asako

Title: Chief Financial Officer