

MEDICINOVA INC
Form 8-K
July 07, 2008

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): July 3, 2008

MEDICINOVA, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction

of incorporation)

001-33185
(Commission File Number)

4350 La Jolla Village Drive, Suite 950

33-0927979
(IRS Employer

Identification No.)

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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))

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.
Employment Agreement with Michael E. Kalafer, M.D.

On July 3, 2008, the Board of Directors of MediciNova, Inc. (the Board) approved an Executive Employment Agreement by and between MediciNova, Inc. (the Registrant) and Michael E. Kalafer, M.D., Chief Medical Officer of the Registrant, effective as of July 3, 2008 (the Employment Agreement).

Pursuant to the Employment Agreement, Dr. Kalafer is required to devote his entire business time, attention, energies, skills, learning and best efforts to further the Registrant's interests and may not engage in any outside activities that compete in any way with the Registrant's business. Dr. Kalafer is an at will employee, but both he and the Registrant are required to give three months written notice to terminate the Employment Agreement. However, in lieu of the three months written notice, the Registrant may provide Dr. Kalafer with severance pay in an amount equal to one-half of his annual base salary.

The Employment Agreement provides that Dr. Kalafer's base salary will be at the rate of \$260,000 per year. Such base salary may be adjusted annually by the Board. In addition, Dr. Kalafer may receive incentive bonuses at the discretion of the Board. The Employment Agreement also provides that if Dr. Kalafer's employment is terminated for any reason, the Registrant has the option to engage Dr. Kalafer as a consultant on a quarterly basis. Compensation for each quarter of consulting services would be equal to 15% of Dr. Kalafer's annual base salary.

The Employment Agreement provides that Dr. Kalafer may not disclose the Registrant's confidential and proprietary information and must assign to the Registrant any inventions or other proprietary information discovered during his employment with the Registrant.

The foregoing description of the Employment Agreement is qualified in its entirety by the actual terms of the Employment Agreement, which is attached hereto as Exhibit 10.1 and incorporated herein by reference.

Severance Protection Agreement with Michael Kalafer, M.D.

In addition, on July 3, 2008, the Registrant entered into a severance protection agreement with Michael E. Kalafer, M.D. (the Severance Agreement). The Severance Agreement provides that if Dr. Kalafer is involuntarily terminated without cause, or resigns for good reason within a 12-month period following a change of control of the Registrant, Dr. Kalafer will be paid all accrued salary and a pro rata bonus for the year of termination and a single lump sum equal to two times his base salary amount and any bonus amount. Dr. Kalafer will also receive for the 24 months following termination such life insurance, disability, medical, dental and hospitalization benefits as are provided to other similarly situated executives who continue in the employ of the Registrant and up to 12 months of outplacement counseling. Vesting will be accelerated as provided in the Registrant's various equity incentive plans. If an excise tax would be imposed under the Internal Revenue Code on the payments received by Dr. Kalafer under the Severance Agreement, the severance payments will be reduced to the extent necessary to avoid an excise tax. The Severance Agreement expires on December 31, 2008, but will automatically renew for additional one-year periods unless either party provides written notice of non-renewal by October 1 of such year.

The foregoing description of the Severance Agreement is qualified in its entirety by the actual terms of the Severance Agreement, which is attached hereto as Exhibit 10.2 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.
(d) Exhibits.

| Exhibit | Description |
|----------------|---|
| 10.1 | Executive Employment Agreement between Registrant and Michael E. Kalafer, M.D., dated July 3, 2008. |
| 10.2 | Severance Protection Agreement between Registrant and Michael E. Kalafer, M.D., dated July 3, 2008. |

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.

Dated: July 7, 2008.

MEDICINOVA, INC.

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

EXHIBIT INDEX

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