

**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): March 30, 2007

ACADIA PHARMACEUTICALS INC.

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction
of incorporation)

000-50768
(Commission File Number)

06-1376651
(IRS Employer
Identification No.)

**3911 SORRENTO VALLEY BOULEVARD
SAN DIEGO, CALIFORNIA**
(Address of principal executive offices)

92121
(Zip Code)

(858) 558-2871
Registrant's telephone number, including area code

N/A
(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))

Item 8.01. Other Events.

The following table provides information regarding the compensation earned during the fiscal year ended December 31, 2006 by the Chief Executive Officer and the Chief Financial Officer of ACADIA Pharmaceuticals Inc. (the "Company") and each of the other individuals who will be disclosed as a "named executive officer" in the Company's proxy statement for its 2007 annual meeting of stockholders:

| Name | Title | Year | Salary | Bonus | Option Awards(1) | All Other Compensation | Total |
|--------------------|--|------|---------|--------|------------------|------------------------|---------|
| Uli Hacksell(2) | Chief Executive Officer | 2006 | 420,000 | 94,500 | 378,764 | 11,840 | 905,104 |
| Thomas Aasen(2) | Vice President and Chief Financial Officer | 2006 | 271,065 | 49,063 | 163,448 | 11,840 | 495,416 |
| Roger Mills(3) | Executive Vice President, Development | 2006 | 168,788 | 30,563 | 62,104 | 450 | 261,905 |
| Brian Lundstrom(2) | Senior Vice President, Business Development | 2006 | 262,614 | 25,999 | 131,210 | 11,840 | 431,663 |
| Bo-Ragnar Tolf(4) | Vice President, Chemistry and Managing Director, ACADIA Pharmaceuticals AB | 2006 | 290,377 | 37,769 | 104,137 | 28,845 | 461,128 |
| Mark Brann(5) | Former President and Chief Scientific Officer | 2006 | 261,064 | — | 159,346 | 14,587 | 434,997 |

- (1) Amounts shown do not reflect compensation actually received by the named individual. The amounts reflect compensation expense recognized by the Company in 2006 and reflect option awards granted in and prior to 2006. See the Company's Annual Report on Form 10-K for the year ended December 31, 2006, filed March 9, 2007, for the SFAS 123(R) stock compensation expense assumptions used to determine the valuation and expensing of stock option awards. The values recognized in the "Options Awards" column above do not reflect estimated forfeitures.
- (2) "All Other Compensation" includes \$11,000 in employer 401(k) matching and \$840 of supplemental life insurance premium payments.
- (3) Dr. Mills became an employee of the Company on June 30, 2006. "All Other Compensation" includes \$450 of supplemental life insurance premium payments.
- (4) "All Other Compensation" includes an employer contribution of \$28,845 to a Swedish pension fund.
- (5) Dr. Brann resigned from the Company on October 20, 2006. "All Other Compensation" includes \$11,000 in employer 401(k) matching and \$690 of supplemental life insurance premium payments, and \$2,897 of COBRA health insurance reimbursements after his resignation.

The Company is filing, as Exhibit 99.1 hereto, the Employment Offer Letter, dated as of May 26, 2006, for Dr. Mills who will be disclosed as a named executive officer for the first time in the Company's proxy statement for its 2007 annual meeting of stockholders.

Item 9.01. Financial Statements and Exhibits.

- (d) Exhibits

| Exhibit Number | Description |
|----------------|--|
| 99.1 | Employment Offer Letter for Roger Mills. |

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.

Date: March 30, 2007

ACADIA Pharmaceuticals Inc.

By: /s/ Thomas H. Aasen
Thomas H. Aasen
Vice President, Chief Financial Officer,
Treasurer and Secretary

EXHIBIT INDEX

| Exhibit Number | Description |
|---------------------------|--|
| 99.1 | Employment Offer Letter for Roger Mills. |

[ACADIA Letterhead]

May 26, 2006

Roger G. Mills
13658 Nogales Drive
Del Mar, CA 92014

Revised Offer

Dear Roger:

We are delighted to offer to you the position of Executive Vice President, Development with ACADIA Pharmaceuticals Inc. (the "Company"). Subject to review and approval by the Company's Board of Directors (the "Board"), the terms of our offer are summarized below:

1. **Base Salary.** Your salary will be \$335,000 per year to be paid semi-monthly. Your salary will be reviewed annually in accordance with the standard practice of the Company. As discussed, we intend that you will be a key member of the senior management team and expect that you will play a role with respect to important decisions on the strategy and future development activities of the Company. You agree to devote all of your business time, attention and energies to the business of the Company. You will report to the Chief Executive Officer of the Company.
2. **Performance Bonus.** You will be eligible to receive a discretionary annual performance bonus ("Bonus") currently targeted at 25% of your annual base salary but which will be granted in the sole discretion of the Board based upon its evaluation of the Company's and your achievement of such specific performance goals as established by the Board. You must be an employee of the Company on the date upon which bonuses are awarded to be eligible for such Bonus. The Bonus will not be prorated in the event you resign or are terminated prior to the date upon which bonuses are awarded. The Bonus for 2006, if any, will be pro-rated and paid following the March 2007 meeting of the Board.
3. **Stock Options.**
 - (a) **Initial Grant.** In connection with the commencement of your employment, the Company will recommend that the Board grant you two options (the "Options") to purchase an aggregate of 150,000 shares of the

Company's Common Stock (the "Shares") at an exercise price equal to the fair market value of the Shares on the date of grant. The Options shall consist of (A) an initial grant of 100,000 Shares with a grant date commencing with your start date with the Company and (B) a secondary grant of 50,000 shares to be made in 2007 (prior to March 31, 2007), subject to your continued employment with the Company through March 2007. The vesting commencement date for the secondary grant shall be the date of grant in 2007.

- (b) **Vesting.** Each Option will vest over four (4) years from the date of grant, with twenty-five percent (25%) of the Shares subject to the applicable Option vesting on the first anniversary of the date of grant for such Option and 1/48th of the remaining Shares vesting monthly thereafter on the monthly anniversary of the applicable date of grant (the "Option Vesting Schedule"), provided that you remain employed by the Company through each vesting installment date.
- (c) **Other Terms.** The Options will be incentive stock options to the maximum extent allowed by the tax code and will be subject to the terms of the Company's 2004 Equity Incentive Plan (the "Plan") and a notice of grant to be executed by you and the Company.
- (d) **Refresher Grants.** Refresher grants, if any, will be provided annually in accordance with Company's practice and would commence for you in March 2008.
- (e) **Change of Control.** In the event the Company is acquired or completes a Corporate Transaction as defined in the Company's 2004 Equity Incentive Plan, any unvested options you then hold will be immediately vested, subject to your continued employment for a period of at least six months following the completion of the Corporate Transaction if so requested by the Company.

4. **Severance Benefit.** In the event the Company terminates your employment other than for Cause (as defined below), you will receive severance in the form of the continuation of your base salary in effect as of the date of termination for a twelve month period following the termination of your employment and continuation of the fringe benefits you were receiving at the time of your termination (subject to the terms of the Company's benefit plans) for the same twelve month period.

"Cause" for termination shall be deemed to exist upon a good faith finding by the Company of (a) your material failure to competently perform your assigned duties for the Company, (b) sustained poor performance of any material aspect of your duties or obligations, (c) dishonesty, gross negligence or other material misconduct, or (d) your conviction of, or the entry of a pleading of guilty or nolo contendere by you to, any crime involving moral turpitude or any felony.

5. **Benefits.** You will be eligible to participate in the Company's standard benefit plans, which include medical, dental, vision, life, accidental death and dismemberment and short and long-term disability insurance coverage. You will also be able to utilize a Flexible Spending Arrangement that allows employees the opportunity to pay for certain dependent care and health care related costs with pretax dollars. Note that these plans for new employees are effective as of the 1st of the month following your employment start date and enrollment. Your eligibility and participation in these plans, is, of course, subject to the terms of the plans themselves.
6. **Vacation.** You will also receive 20 vacation days each year, accrued monthly.
7. **401K.** You will have the opportunity to participate in the Company's 401(k) plan. The plan provides for the Company to match, on a dollar for dollar basis, the employee contributions to the plan up to 5% of the employee's annual compensation, subject to limitations imposed by the Internal Revenue Service. The plan is managed by Fidelity Investments and provides for enrollment on the first day of each quarter.
8. **Inventions and Non-Disclosure.** You will be required to sign the Inventions and Non-Disclosure Agreement, attached to this letter, as a condition of your employment.
9. **Authorization to Work.** You will need to provide the Company with the legally required proof of your identity and authorization to work in the United States. Typically, a **driver's license with photograph and a social security card, or a passport** will be sufficient and should be **brought with you** on your first day of work. Such documentation must be provided within three (3) business days of your date of hire, or our employment relationship with you may be terminated.
10. **At-Will; Entire Agreement.** Your employment is at-will and for no specified period, and either you or the Company may terminate this employment relationship at anytime and for any reason. This Agreement, including the enclosures, contains our complete, final, and exclusive agreement relating to the terms and conditions of your employment, and supersedes all prior or contemporaneous oral or written agreements, representations, or discussions. This Agreement cannot be amended or modified except by a written instrument signed by you and the Chief Executive Officer of the Company.

The start date for your employment with the Company will be Friday, June 30, 2006 or other date as mutually agreed upon between you and I.

Roger, we are very confident that your joining the ACADIA team will prove extremely beneficial to both you and the Company and its shareholders. If you have any questions, please do not hesitate to call me.

Please indicate your agreement with the above terms by signing below and returning to my attention.

Sincerely,

/s/ Uli Hacksell

Uli Hacksell
Chief Executive Officer

Accepted and agreed:

/s/ Roger G. Mills

Roger G. Mills

5/31/06

Date

Enclosures: Inventions and Non-Disclosure Agreement