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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): September 21, 2005

**VICAL INCORPORATED**

(Exact name of registrant as specified in charter)

**Delaware**  
(State or other  
jurisdiction of  
incorporation)

**000-21088**  
(Commission File  
Number)

**93-0948554**  
(I.R.S. Employer  
Identification No.)

**10390 Pacific Center Court**  
**San Diego, California**  
(Address of principal executive offices)

**92121-4340**  
(Zip Code)

Registrant's telephone number, including area code: (858) 646-1100

**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.**

On September 21, 2005, the Board of Directors of Vical Incorporated (the "Board") approved a change in the cash compensation payable to non-employee members of the Board for the year ending December 31, 2005, and eliminated the cap related to cash compensation. All other terms of the compensation payable to non-employee members of the Board remain unchanged. A summary of the compensation payable to non-employee members of the Board, as modified, is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference herein.

**Item 9.01 Financial Statements and Exhibits.**

(c) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Vical Incorporated Non-Employee Director Compensation Policy

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**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.

**VICAL INCORPORATED**

Date: September 23, 2005

By: /s/ JILL M. CHURCH  
Jill M. Church  
Vice President and Chief Financial Officer

**Vical Incorporated**  
**Non-Employee Director Compensation Policy**

*Director Fees*

The Chairman of our Board of Directors receives an annual fee of \$25,000. Each of our other non-employee directors receives an annual fee of \$20,000. Each non-employee director, including the Chairman of the Board, also receives \$1,500 for each meeting of the Board of Directors attended by such director.

Non-employee directors also receive fees for participation on committees of the Board of Directors. The Chairman of our Audit Committee receives an annual fee of \$10,000 and each other member of the Audit Committee receives an annual fee of \$5,000. The Chairman of our Compensation Committee receives an annual fee of \$5,000 and each other member of the Compensation Committee receives an annual fee of \$2,500. The Chairman of our Nominating/Governance Committee receives an annual fee of \$5,000 and each other member of the Nominating/Governance Committee receives an annual fee of \$2,500.

Non-employee directors are also reimbursed for their expenses for each Board or committee meeting attended. All fees are paid on or about February 15th following the year during which services were rendered, excluding expenses which are reimbursed as incurred.

*Director Options*

Under our Amended and Restated Stock Incentive Plan, each of our new non-employee directors, on the date of his or her election to the Board of Directors, receives an option to purchase 20,000 shares of our common stock at its fair market value on the date of grant. The shares subject to these options generally vest 25% on the first anniversary of the date of grant, with the remaining shares vesting quarterly over the next three years.

Each non-employee director who has served on our Board of Directors for at least six months on the date of each regular Annual Meeting of stockholders also receives an annual grant of an option to purchase 12,500 shares of our common stock which becomes exercisable in full on the date of the regular Annual Meeting of Stockholders following the date of grant. No more than an aggregate of 30% of the shares available under our Stock Incentive Plan are available for grant to non-employee directors. Our Board of Directors may provide discretionary grants under the Stock Incentive Plan to our non-employee directors.

The Chairman of our Board of Directors receives an annual grant of an option to purchase 20,000 shares of our common stock under the Stock Incentive Plan (in lieu of the annual grant of an option to purchase 12,500 shares which he would otherwise receive as a non-employee director) which also becomes exercisable in full on the date of the regular Annual Meeting of Stockholders following the date of grant.