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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

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**FORM 8-K**

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

**Date of Report (Date of earliest event reported): November 6, 2008**

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**ADTRAN, INC.**

(Exact Name Of Registrant As Specified In Charter)

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**Delaware**  
(State of Incorporation)

**0-24612**  
(Commission File No.)

**63-0918200**  
(I.R.S. Employer  
Identification No.)

**901 Explorer Boulevard  
Huntsville, Alabama 35806-2807**  
(Address of principal executive offices, including zip code)

**(256) 963-8000**  
(Registrant's telephone number, including area code)

**Not applicable**  
(Former name or address, if changed since last report)

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

(e) On November 6, 2008, the Compensation Committee of the Board of Directors (the “Compensation Committee”) of ADTRAN, Inc. (the “Company”) approved the form of the Performance Shares Agreement under the ADTRAN, Inc. 2006 Employee Stock Incentive Plan (the “Incentive Plan”). The Performance Shares Agreement sets forth the terms and conditions of awards under the Incentive Plan of restricted stock units, referred to as “performance shares”, including, but not limited to, the performance period, vesting and delivery of performance shares, and receipt of dividend credits based on the shares of common stock underlying the performance shares. A copy of the Performance Shares Agreement is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

On November 6, 2008, the Compensation Committee made grants of performance shares to the named executive officers of the Company in the amounts set forth below:

<u>Name</u>	<u>Target Performance Shares</u>
Thomas Stanton	14,200
James Matthews	4,000
Raymond Schansman	3,100

The number of performance shares earned by the executive officers is based on the Company’s relative total shareholder return against a peer group over a three-year performance period. Depending on the relative total shareholder return over the performance period, the executive officers may earn from 0% to 150% of the number of target performance shares, with the shares earned distributed at the end of the three-year performance period. A portion of the granted performance shares also vest and become deliverable upon the death or disability of a recipient or upon a change of control of the Company, as defined on the Incentive Plan. The recipients of the performance shares receive dividend credits based on the shares of common stock underlying the performance shares. The dividend credits are vested, earned and distributed in the same manner as the performance shares.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
10.1	Form of Performance Shares Agreement under the ADTRAN, Inc. 2006 Employee Stock Incentive Plan.

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SIGNATURE

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.

**ADTRAN, INC.**  
(Registrant)

Date: November 12, 2008

/s/ James E. Matthews

James E. Matthews  
Senior Vice President – Finance,  
Chief Financial Officer, Treasurer and Secretary

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## Exhibit Index

<u>Exhibit Number</u>	<u>Description</u>
10.1	Form of Performance Shares Agreement under the ADTRAN, Inc. 2006 Employee Stock Incentive Plan.

**ADTRAN, INC.  
PERFORMANCE SHARES AGREEMENT**

This Performance Shares Agreement (this “Agreement”) sets forth the specified terms of ADTRAN, Inc.’s grant of Restricted Stock Units (“Performance Shares”) pursuant to the ADTRAN, Inc. 2006 Employee Stock Incentive Plan (the “Plan”). All capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Plan.

**Name of Participant:** \_\_\_\_\_

**Date of Grant:** \_\_\_\_\_

**Number of Performance Shares Granted:** \_\_\_\_\_

**Performance Period:** The three (3) year period beginning on the Date of Grant of the Performance Shares.

**Vesting and Delivery of Performance Shares:** The number of granted Performance Shares that are vested and earned pursuant to this Agreement will be based on the total shareholder return (“TSR”) of ADTRAN, Inc. (the “Company”) during the Performance Period relative to companies in the Company’s peer group, which companies are listed on Exhibit A hereto. Granted Performance Shares will be vested and earned in accordance with the following schedule:

The Company’s TSR Performance relative to its Peer Group (expressed in a percentile)	Granted Performance Shares Earned (expressed as a percentage)
Less than 20th Percentile	0%
20th Percentile	25%
25th Percentile	38%
30th Percentile	50%
35th Percentile	63%
40th Percentile	75%
45th Percentile	88%
50th Percentile	100%
55th Percentile	108%
60th Percentile	117%
65th Percentile	125%
70th Percentile	133%
75th Percentile	142%
80th or more Percentile	150%

One share of the Company’s Common Stock shall be issued to the Participant for every “Earned Performance Share.” The Company will issue shares of Common Stock to the Participant as soon as administratively practicable following the date the Performance Shares have been vested and earned; provided, however, if any law or regulation requires the Company to take any action (including, but not limited to, the filing of a registration statement under the 1933 Act and causing such registration statement to become effective) with respect to such shares of Common Stock before the issuance thereof, then the date of delivery of the shares shall be extended for the period necessary to take such action, to the maximum extent permitted by Section 409A of the Internal Revenue Code.

**Accelerated Vesting and Delivery:** In the event of (1) the Participant's death, (2) the Participant's Disability, or (3) a Change of Control of the Company, a portion of the granted Performance Shares shall become immediately vested and earned by the Participant. The number of such vested and nonforfeitable shares shall be equal to (x) the number of Performance Shares that is 25% of the total Performance Shares granted under this Agreement multiplied by (y) a fraction, the numerator of which shall equal the number of days elapsed from the Date of Grant to the date of the applicable acceleration event and the denominator of which shall equal the days in the Performance Period.

**Dividend Credits :** The Participant shall receive dividend credits upon the Company's payment of cash dividends for its Common Stock during the Performance Period as follows:

(1) The Participant shall receive dividend credits on the unvested portion of the original number of Performance Shares awarded on the Date of Grant ("Original Performance Shares"), with the amount of such dividend credits credited to the Participant in the form of additional unvested Performance Shares, as calculated pursuant to the Plan.

(2) The Participant's Performance Shares attributable to any dividend credits will be vested and earned in accordance with the same schedule as the Original Performance Shares (as described above).

(3) The distribution of Performance Shares attributable to dividend credits shall be made in a cash payment on the same date as the issuance of the Common Stock for the "Earned Performance Shares."

**Designation of Beneficiary:** The Participant hereby designates the following individual as the Beneficiary (as defined in the Plan) of this Agreement:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Relationship: \_\_\_\_\_

The Participant may modify this designation of Beneficiary only in accordance with the terms and provisions of the Plan.

The Performance Shares granted above are subject to all restrictions, terms and conditions set forth in the ADTRAN, Inc. 2006 Employee Stock Incentive Plan. In the event of any inconsistency between this Agreement and the Plan, the provisions of the Plan shall govern. The Participant has received a copy of the Plan's prospectus, including a copy of the Plan. The Participant agrees to the terms of this Performance Shares Agreement, which may be amended only upon a written agreement signed by the parties hereto.

This \_\_\_ day of \_\_\_\_\_, 200 \_\_\_.

**ADTRAN, INC.**

By: \_\_\_\_\_  
TITLE: \_\_\_\_\_

**PARTICIPANT:**

PRINT NAME: \_\_\_\_\_