
**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): June 8, 2006

ADTRAN, INC.

(Exact Name Of Registrant As Specified In Charter)

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)

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.

In connection with the ADTRAN, Inc. 2006 Employee Stock Incentive Plan (the "Stock Plan") adopted by the Board of Directors of ADTRAN, Inc. ("ADTRAN") on January 23, 2006 and approved by the stockholders of ADTRAN at ADTRAN's Annual Meeting of Stockholders held on May 9, 2006, filed herewith are the Form of Nonqualified Stock Option Agreement and the Form of Incentive Stock Option Agreement (the "Form Option Agreements") to be used to document nonqualified stock options and incentive stock options granted under the Stock Plan.

The Form Option Agreements provide that the awards become exercisable with respect to 25% of the award on each of the first four anniversaries of the grant date and that the awards become immediately vested upon a participant's death or Disability (as defined in the Stock Plan), or upon a Change of Control of ADTRAN (as defined in the Stock Plan). In addition the Form Option Agreements provide that the maximum term of each option is ten years following the date of grant. Notwithstanding the ten year term, all unexercisable options expire and terminate upon the participant's termination of employment or service to ADTRAN. If the participant terminates employment for Cause (as defined in the Stock Plan) any then unexercised portion of the exercisable option shall immediately terminate. If the participant terminates employment due to death, Disability or Retirement (as defined in the Stock Plan), the option remains exercisable for one year following termination. Following a Change in Control, if the participant terminates for any reason other than death, Disability, Cause or a voluntary quit, the term of the option shall be extended until the earlier of the maximum term of the option or the end of the three-month period after the date of termination. If the participant terminates for any reason other than specified above, the option remains exercisable for 90 days following termination. Upon the expiration of the applicable post-termination exercise period under the Stock Plan, any unexercised portion of this option shall expire and terminate. All post-termination exercise periods are subject to the maximum term of the option.

Copies of the Form of Nonqualified Stock Option Agreement and the Form of Incentive Stock Option Agreement are attached hereto as Exhibits 10.1 and 10.2, respectively, and are incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
10.1	Form of Nonqualified Stock Option Agreement.
10.2	Form of Incentive Stock Option Agreement.

SIGNATURE

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on June 8, 2006.

ADTRAN, Inc.

By: /s/ James E. Matthews

James E. Matthews

Senior Vice President – Finance

Chief Financial Officer and Treasurer

Exhibit Index

<u>Exhibit Number</u>	<u>Description</u>
10.1	Form of Nonqualified Stock Option Agreement.
10.2	Form of Incentive Stock Option Agreement.

**ADTRAN, INC. 2006 EMPLOYEE STOCK INCENTIVE PLAN
NONQUALIFIED STOCK OPTION AGREEMENT**

This Agreement sets forth the specified terms of a Nonqualified Stock Option granted under the ADTRAN, Inc. 2006 Employee Stock Incentive Plan (the "Plan"). All other provisions of this Nonqualified Stock Option are as determined under the terms of the Plan.

Name of Participant: _____

Date of Grant: _____

Number of Nonqualified Stock Option Shares: _____

Exercise Price: \$ _____ per share (shall be the Fair Market Value per share, as defined in the Plan, on Date of Grant)

Exercisability: This Nonqualified Stock Option shall first become exercisable as follows:

- 25% upon the first anniversary of the Date of Grant;
- 25% upon the second anniversary of the Date of Grant;
- 25% upon the third anniversary of the Date of Grant; and
- 25% upon the fourth anniversary of the Date of Grant.

Notwithstanding the above schedule, all shares under this Option shall become exercisable upon the death or Disability (as defined in the Plan) of the Participant or upon a Change of Control (as defined in the Plan) of ADTRAN, Inc.

Maximum Term of Option: Ten years following the Date of Grant.

Notwithstanding the maximum term specified above, all unexercisable Options expire and terminate upon the Participant's termination of employment or service to ADTRAN, Inc. If the Participant terminates employment for Cause (as defined in the Plan) any then unexercised portion of the exercisable Option shall immediately terminate. If the Participant terminates employment due to death, Disability or Retirement (as defined in the Plan), the Option remains exercisable for one year following termination. Following a Change in Control, if the Participant terminates for any reason other than death, Disability, Cause or a voluntary quit, the term of the Option shall be extended until the earlier of the maximum term of the Option or the end of the three-month period after the date of termination. If the Participant terminates for any reason other than specified above, the Option remains exercisable for 90 days following termination. Upon the expiration of the applicable post-termination exercise period under the Plan, any unexercised portion of this Option shall expire and terminate. All post-termination exercise periods are subject to the maximum term of the Option.

Designation of Beneficiary: The Participant hereby designates the following individual as the Beneficiary (as defined in the Plan) of this Nonqualified Stock Option Award:

Name: _____

Address: _____

Relationship: _____

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

Notices: All notices or other communications as required hereunder or by the Plan shall be in writing and shall be effective when (i) personally delivered by courier (including overnight carriers) or otherwise to the party to be given the notice or communication or (ii) on the third business day following the date deposited in the United States mail if the notice or communication is sent by certified or registered mail with return receipt requested and postage thereon fully prepaid. The address for notices or other communications shall be as follows:

If to ADTRAN, Inc.: ADTRAN, Inc.
Attention: Corporate Secretary
P.O. Box 140000
Huntsville, AL 35814-4000

If to the Participant: Name: _____
Address: _____
Hire Date: _____
Title: _____
Supervisor: _____
Department: _____
ID: _____

Either party may change its address for receipt of notices hereunder by providing notice to the other party.

This Option Agreement is subject to the terms and conditions of the ADTRAN, Inc. 2006 Employee Stock Incentive Plan. 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 Nonqualified Stock Option Agreement, which may be amended only upon a written agreement signed by the parties hereto.

This ___ day of _____, 200 ___.

ADTRAN, INC.

PARTICIPANT:

By: _____
Title: [INSERT TITLE]

[Typed Name of Participant]

**ADTRAN, INC. 2006 EMPLOYEE STOCK INCENTIVE PLAN
INCENTIVE STOCK OPTION AGREEMENT**

This Agreement sets forth the specified terms of an Incentive Stock Option granted under the ADTRAN, Inc. 2006 Employee Stock Incentive Plan (the "Plan"). All other provisions of this Incentive Stock Option are as determined under the terms of the Plan.

Name of Participant: _____

Date of Grant: _____

Number of Incentive Stock Option Shares: _____

Exercise Price: \$ _____ per share (no less than the Fair Market Value per share, as defined in the Plan, on Date of Grant)

Exercisability: This Incentive Stock Option shall first become exercisable as follows:

- 25% upon the first anniversary of the Date of Grant;
- 25% upon the second anniversary of the Date of Grant;
- 25% upon the third anniversary of the Date of Grant; and
- 25% upon the fourth anniversary of the Date of Grant.

Notwithstanding the above schedule, all shares under this Option shall become exercisable upon the death or Disability (as defined in the Plan) of the Participant or upon a Change of Control (as defined in the Plan) of ADTRAN, Inc.

Maximum Term of Option: Ten years following the Date of Grant.

Notwithstanding the maximum term specified above, all unexercisable Options expire and terminate upon the Participant's termination of employment or service to ADTRAN, Inc. If the Participant terminates employment for Cause (as defined in the Plan), any then unexercised portion of the exercisable Option shall immediately terminate. If the Participant terminates employment due to death, Disability or Retirement (as defined in the Plan), the Option remains exercisable for one year following termination. Following a Change in Control, if the Participant terminates for any reason other than death, Disability, Cause or a voluntary quit, the term of the Option shall be extended until the earlier of the maximum term of the Option or the end of the three-month period after the date of termination. If the Participant terminates for any reason other than specified above, the Option remains exercisable for 90 days following termination. Upon the expiration of the applicable post-termination exercise period under the Plan, any unexercised portion of this Option shall expire and terminate. All post-termination exercise periods are subject to the maximum term of the Option.

Designation of Beneficiary: The Participant hereby designates the following individual as the Beneficiary (as defined in the Plan) of this Incentive Stock Option Award:

Name: _____

Address: _____

Relationship: _____

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

Notices: All notices or other communications as required hereunder or by the Plan shall be in writing and shall be effective when (i) personally delivered by courier (including overnight carriers) or otherwise to the party to be given the notice or communication or (ii) on the third business day following the date deposited in the United States mail if the notice or communication is sent by certified or registered mail with return receipt requested and postage thereon fully prepaid. The address for notices or other communications shall be as follows:

If to ADTRAN, Inc.: ADTRAN, Inc.
Attention: Corporate Secretary
P.O. Box 140000
Huntsville, AL 35814-4000

If to the Participant: Name: _____
Address: _____
Hire Date: _____
Title: _____
Supervisor: _____
Department: _____
ID: _____

Either party may change its address for receipt of notices hereunder by providing notice to the other party.

This Option Agreement is subject to the terms and conditions of the ADTRAN, Inc. 2006 Employee Stock Incentive Plan. 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 Incentive Stock Option Agreement, which may be amended only upon a written agreement signed by the parties hereto.

This ___ day of _____, 200 ___.

ADTRAN, INC.

PARTICIPANT:

By: _____
Title: [INSERT TITLE]

[Typed Name of Participant]