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): October 11, 2005

REX STORES CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	001-09097	31-1095548
(State or other jurisdiction of incorporation)	(Commission File No.)	(IRS Employer Identification No.)

2875 Needmore Road, Dayton, Ohio	45414
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (937) 276-3931

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 1.01 Entry into a Material Definitive Agreement.

On October 11, 2005, REX Stores Corporation (the "Company"), through its wholly-owned subsidiary Rex Radio and Television, Inc., entered into an employment agreement with David L. Bearden, the new President and Chief Operating Officer of the Company. A brief description of the terms of the employment agreement is contained in Item 5.02 below and is incorporated herein by reference.

On October 11, 2005, the Compensation Committee of the Board of Directors of the Company approved a change in the compensation for directors who are not officers or employees of the Company providing that an additional $20,000 per year would be payable to each such director for each year the director waived his right to the grant of stock options pursuant to the Company's 1999 Omnibus Stock Incentive Plan. The non-employee directors have waived their right to the grant of stock options under the Plan for fiscal 2005.

Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

On October 12, 2005, the Company announced that David L. Bearden was appointed President and Chief Operating Officer of the Company effective October 11, 2005. A copy of the Company's press release is attached as an exhibit to this report.

Mr. Bearden, 55, joins the Company from Panasonic Company, a leading manufacturer of consumer electronics, household appliances and communication products, where he held several senior management positions over 24 years. Mr. Bearden served as Group President of Panasonic's Consumer Electronics Sales Group from 2004 to 2005, President and Chief Operating Officer of Panasonic's National Sales Group from 2002 to 2004, President/COO Panasonic Company Central from 1997 to 2002, and Vice President/General Manager of Panasonic's Quasar Division from 1988 to 1997.

The Company, through its wholly-owned subsidiary Rex Radio and Television, Inc., entered into an employment agreement with Mr. Bearden dated October 11, 2005. Under the employment agreement, Mr. Bearden will be paid an annual salary of $200,000, a signing bonus of $65,000, and an annual cash bonus based upon the earnings before income taxes ("EBT") of the retail business of the Company starting at $10,000 for each $1 million of EBT up to $5 million and increasing incrementally to $30,000 for each $1 million of EBT over $20 million. Mr. Bearden is also entitled to an additional, one-time cash bonus of $1 million if the retail business of the Company is sold during his employment ("change of ownership award") or within one calendar year of termination of his employment without cause (as defined in the agreement). Mr. Bearden is eligible to participate in all employee benefit plans and will be furnished a Company owned automobile for use during his employment.

Mr. Bearden's employment agreement is for a term of two years and three months through January 31, 2008 and is automatically renewed for additional one-year terms unless earlier terminated by resignation, death, total disability or termination for cause, or unless terminated by either party upon 90 days notice prior to the expiration of the employment term or any renewal term. Termination for "cause" means Mr. Bearden's repeated failure or refusal to perform his duties under the agreement, violation of any material provision of the agreement, clear and intentional violation of law involving a felony which has a materially adverse effect on the Company, or commencing effective February 1, 2006 negative EBT for three consecutive fiscal quarters of the Company. If Mr. Bearden's employment is terminated by the Company without cause, he is entitled to the greater of the balance of his annual salary for the remainder of the contract period or one-year's base salary. Mr. Bearden will forfeit any rights to any annual cash bonus upon termination of his employment for any reason, with the exception of the change of ownership award as provided above.

The foregoing description is qualified in its entirety by reference to the employment agreement which is filed as an exhibit to this report.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

10(a) Employment Agreement dated October 11, 2005 between Rex Radio and Television, Inc. and David L. Bearden

99(a) Press release dated October 12, 2005

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.

REX STORES CORPORATION

Date: October 12, 2005

By: /s/ DOUGLAS L. BRUGGEMAN

Name: Douglas L. Bruggeman
Title: Vice President-Finance, Chief Financial Officer and Treasurer

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement") is entered into as of the 11th day of October, 2005, between Rex Radio and Television, Inc., an Ohio corporation (the "Corporation") and David L. Bearden (the "Employee").

Recitals

The Corporation desires to employ Employee as its President and Chief Operating Officer, and Employee desires to accept such employment, on the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

ARTICLE I - DUTIES OF EMPLOYEE

1.1 Duties of Employee. Employee shall be employed as President and Chief Operating Officer of the Corporation, for the period set forth in Article II below. Employee shall be subject to the supervision of the Chief Executive Officer and the Board of Directors of the Corporation, and shall perform those executive, operational and administrative duties normally performed by the President and Chief Operating Officer of a corporation.

1.2 Engaging in Other Employment. Employee shall devote his full business time, energies, attention and abilities to the business of the Corporation.

1.3 Additional Duties. In addition to the foregoing duties, Employee shall perform such other work as may be assigned to him from time to time subject to the instructions, directions and control of the Chief Executive Officer and the Board of Directors.

ARTICLE II - TERM OF EMPLOYMENT

2.1 Term. The Corporation shall employ Employee commencing as of October 11th, 2005, and continuing for a two (2) year and Three (3) month period through January 31, 2008 (the "Employment Period") and any renewal period provided for in Section 2.2 below unless earlier terminated by Employee's (i) resignation, (ii) death, (iii) total disability, or (iv) termination of employment, as provided in Article VI. "Total disability" shall mean such disability as shall render Employee incapable of performing substantially all of his duties for the Corporation as determined by any two qualified physicians chosen by the Corporation.

2.2 Renewal Term. The terms and conditions of this Agreement shall automatically renew, without any further action by either party required, upon the expiration of the Employment Period and any period of renewal for subsequent one (1) year periods unless (i) notice of termination is provided to the other party at least ninety (90) days prior to the expiration of the Employment Period or any period of renewal or (ii) this Agreement is otherwise terminated pursuant to Article VI.

ARTICLE III - COMPENSATION AND EXPENSES

3.1 Compensation. Employee shall receive as compensation for services rendered under this Agreement a base salary of Two Hundred Thousand Dollars ($200,000) per year, payable in equal monthly installments of Sixteen Thousand Six Hundred Sixty-six and 66/100 Dollars ($16,666.66) per month on the last working day of each month (or such more frequent dates as the Corporation may choose), and prorated for any partial monthly period. Employee shall also receive a signing bonus, of Sixty Five Thousand Dollars ($65,000) payable: (i) Eight Thousand Dollars ($8,000) upon execution of this Agreement; and (ii) Fifty Seven Thousand Dollars ($57,000) on or before January 15, 2006; the signing bonus shall be deemed to include a moving expense reimbursement,

3.2 Expenses. Employee is authorized to incur reasonable expenses in connection with the performance of his duties for the Corporation, including expenses for entertainment, travel, and similar business purposes. The Corporation will reimburse Employee for all such expenses upon the presentation of an itemized account of such expenditures and approval of the expenditures by a designated officer. In incurring reasonable business expenses, Employee shall conform to the policies of the Corporation as adopted by the Board of Directors from time to time.

ARTICLE IV - EMPLOYEE BENEFITS AND BONUSES

4.1 Employee Benefit Plans. Employee shall be entitled to participate in any qualified pension plan, qualified profit-sharing/401k plan, medical and dental reimbursement plan, group term life insurance plan, and any other employee benefit plan which may be established by the Corporation, such participation to be in accordance with the terms of any such plan.

4.2 Automobile. Employee shall be furnished an automobile owned by the Corporation for use during the Employment Period and any period of renewal.

4.3 Bonus. In addition to Employee's salary as provided in Section 3.1, Employee shall be entitled to an annual cash bonus computed based upon the earnings before income taxes ("EBT") of the retail business of REX Stores Corporation and its subsidiaries ("REX") determined by the independent public accountants then engaged by REX. EBT shall not include (i) any income from REX's synthetic fuel or other alternative energy investments, (ii) any deduction for Stuart A. Rose's bonus as Chief Executive Officer of the Corporation, (iii) any expenses of REX relating to stock options, and (iv) any extraordinary expense incurred by REX, including any restructuring and/or store closing expense.

Employee's annual cash bonus shall be based upon EBT for each fiscal year of REX during the Employment Period and any period of renewal, as follows:

Amount of Cash Bonus for each $1 million of EBT	
$10,000	Up to $5 million
$15,000	Over $5 million to $10 million

$20,000	Over $10 million to $15 million
$25,000	Over $15 million to $20 million
$30,000	Over $20 million

Employee shall be entitled to twenty-five percent (25%) of the above annual bonus for the period of his employment in fiscal year 2005 through January 31, 2006. Employee shall be entitled to a minimum bonus of $50,000 (Fifty Thousand Dollars) for the fiscal period ending January 31, 2007, so long as there is positive EBT for the retail business of REX for such fiscal period, as determined by Deloitte & Touche LLP.

Employee shall also be entitled to an additional, one-time cash bonus of One Million Dollars ($1,000,000) if the retail business of REX is sold during the Employment Period or any period of renewal ("Change of Ownership Award").

4.4 Vacation. Employee shall be entitled to vacation during each 12-month period of the Employment Period or any period of renewal at full pay, consistent with Company policy and as approved by the Chief Executive Officer; provided, however, that no portion of a vacation not taken in any 12-month period may be taken in any other 12-month period. The time for such vacation shall be selected by Employee. Employee shall not be entitled to vacation pay in lieu of vacation.

ARTICLE V - NONDISCLOSURE AND NONCOMPETITION

5.1 Confidential Information. Employee agrees to keep secret and confidential the Confidential Information (as defined below) and shall not use or disclose such information, either during or after his employment with the Corporation, for any purpose not authorized by the Corporation. Upon termination of his employment with the Corporation, Employee shall leave with the Corporation all records, including all copies thereof, containing any Confidential Information, including, but not limited to, such documents as memoranda, notes, records, reports, customer lists, manuals, drawings, blueprints and maps. "Confidential Information" means information about the Corporation and any of its affiliates which is disclosed to Employee or known by him as a consequence of or through his work with or on behalf of the Corporation or its affiliates (including information conceived, originated, discovered, or developed by him) not generally known about the Corporation, including, but not limited to, matters of a technical nature, such as "know-how," innovations, research projects, methods, and matters of a business nature, such as information about costs, profits, markets, sales, lists of customers, suppliers, business processes, computer programs, accounting methods, information systems, business or marketing, financial plans and reports and any other information of a similar nature.

5.2 Restrictions on Competition. During the term of this Agreement and for a period of one (1) year after termination of Employee's employment with the Corporation, for any reason, Employee shall not directly or indirectly, either as an employee, employer, consultant, agent, principal, partner, stockholder, corporate officer, director, or in any other individual or representative capacity, engage or participate in any business that is in competition in any manner whatsoever with the retail business of the Corporation or its affiliates within one hundred (100) miles of any store operated by the Corporation or its affiliates at the time of Employee's termination nor shall Employee be the owner or operator of a retail business similar to that of the Corporation or its affiliates within one hundred (100) miles of any store operated by the Corporation or its affiliates at the time of Employee's termination.

5.3 Saving. In the event any provision of this Article V shall be held invalid, illegal, or unenforceable, the remaining provisions shall in no way be affected thereby, and shall continue in full force and effect. If, moreover, any one or more of the provisions contained in this Article V shall for any reason be held to be excessively broad as to time, duration, geographical scope, activity or subject, it shall be construed, by limiting and reducing it, so as to be enforceable to the extent compatible with the applicable law as it shall then appear.

ARTICLE VI - TERMINATION

6.1 Termination of Employment for Cause. The Corporation may at any time terminate Employee's employment for cause. Such termination of employment for cause shall not prejudice any other remedy to which the Corporation may be entitled either at law, in equity, or under this Agreement. "Termination of employment for cause" shall mean termination upon (i) Employee's repeated failure or refusal to perform his duties hereunder faithfully, diligently, competently and to the best of his ability for reasons other than serious disability or other incapacity, (ii) Employee's violation of any material provision of this Agreement, (iii) Employee's clear and intentional violation of a state or federal law of which he is aware or should have been aware (a) involves the commission of a felonious crime against the Corporation which has a materially adverse effect upon the Corporation or (b) involves a felony other than against the Corporation having a materially adverse effect upon the Corporation, as determined in either case in the reasonable judgment of the Board of Directors, or (iv) commencing effective February 1, 2006, negative EBT for three (3) consecutive fiscal quarters of REX (computed as provided in Section 4.3).

6.2 Termination of Employment without Cause. In the event the Corporation terminates Employee's employment other than for cause (as defined in Section 6.1), the Corporation shall pay Employee, in full satisfaction and complete discharge of all obligations and liabilities of the Corporation to Employee under this Agreement or otherwise, the greater of: (i) the balance of his compensation under Section 3.1 for the remainder of the contract period based on the Employees current base salary; or (ii) one (1) year (12 months) of base salary as set forth in Section 3.1.

6.3 Effect of Termination on Compensation. In the event this Agreement is terminated prior to the completion of the Employment Period or any period of renewal for any reason by the Corporation other than without cause as provided in Section 6.2, Employee shall be entitled to the compensation earned by him prior to the date of termination ,as provided for in this Agreement, computed pro rata up to and including that date. Employee shall be entitled to no further compensation as of the date of termination.

6.4 Effect of Termination on Bonus Plans. In the event of the termination of this Agreement prior to the completion of the Employment Period or any period of renewal for any reason whatsoever, Employee shall automatically and completely forfeit any rights which he may have under any bonus plan established by the Corporation, including the bonuses provided in Section 4.3. If the retail business of REX is subsequently sold within one (1) calendar year of Employee's termination of employment, so long as such termination is not for cause as set forth in Section 6.1 hereof, Employee shall be entitled to the Change of Ownership Award as set forth in Section 4.3 hereof.

ARTICLE VII - WAIVER OF BREACH

7.1 Effect of Waiver. Waiver by the Corporation of any condition, or of the breach of Employee of any term or covenant contained in this Agreement, whether by conduct or otherwise, in any one or more instances shall not be deemed to be or construed as a further or continuing waiver of any such condition or to be a waiver either of any other condition or of the breach of any other term or covenant of this Agreement. The failure of the Corporation at any time or times to require performance of any provision hereof shall in no manner affect its rights at a later time to require the same.

ARTICLE VIII - MISCELLANEOUS

8.1 Notices. All notices and other communications by any party hereto shall be made in writing to the other party and shall be deemed to have been duly given when mailed by United States certified mail, with postage prepaid, addressed as the parties hereto may designate from time to time in writing.

8.2 Entire Agreement. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the employment of Employee by the Corporation, and contains all of the covenants and agreements between the parties with respect to such employment in any manner whatsoever.

8.3 Assignability. Neither this Agreement, nor any duties or obligations hereunder shall be assignable by Employee without the prior written consent of the Board of Directors of the Corporation.

8.4 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

8.5 Captions. The captions in this Agreement are inserted for convenience only and shall not be considered part of or affect the construction or interpretation of any provision of this Agreement.

8.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first set forth above.

REX RADIO AND TELEVISION, INC.

By: /s/ Stuart Rose

Stuart Rose, Chief Executive Officer

EMPLOYEE:

/s/ David L. Bearden

David L. Bearden

[REX STORES LOGO]

NEWS ANNOUNCEMENT

FOR IMMEDIATE RELEASE

For further information contact:

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REX STORES NAMES DAVID L. BEARDEN PRESIDENT AND CHIEF OPERATING OFFICER

- FORMER PRESIDENT AND CHIEF OPERATING OFFICER OF PANASONIC'S NATIONAL SALES GROUP BRINGS MORE THAN TWENTY FOUR YEARS OF EXPERIENCE TO NEW ROLE AT REX STORES -

Dayton, Ohio (October 12, 2005) -- REX Stores Corporation (NYSE:RSC), a specialty retailer of consumer electronic products and appliances, announced today that, effective October 11, 2005, it has named David L. Bearden, 55, President and Chief Operating Officer.

Mr. Bearden brings over 24 years of diverse consumer electronics industry experience to his new role at REX. As President and COO, Mr. Bearden will have involvement in all facets of REX Stores' retail operations including buying, inventory management and merchandising strategy, and store development, among other focus areas.

During the course of his career, David L. Bearden has held several senior management positions at Panasonic Company, one of the world's largest manufacturers of consumer electronic products. From 2002 to 2004 Bearden was President and Chief Operating Officer of Panasonic's National Sales Group and most recently served as Group President of Panasonic's Consumer Electronics Sales Group. In these capacities he had full responsibility for Panasonic's $4.2 billion consumer product businesses, which markets its product through mass merchant, specialty retail, office supply and Internet sales channels. His responsibilities also included sales, marketing and channel development, credit and supply chain management for the U.S. market.

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Commenting on the appointment, Stuart Rose, Chairman and Chief Executive Officer, stated, "David brings a broad range of management skills, experience and extensive industry knowledge to his role at REX Stores. His success with one of the industry's largest consumer electronics companies is an excellent match for REX, and we believe that David will contribute significantly to our retail operations. In addition, David's appointment will allow me to devote additional time to pursue new investment opportunities for REX in the energy sector. In the seven years since our first synthetic fuel investment, REX has derived significant financial benefits from this area, enabling the Company to reduce long-term debt, repurchase shares and strengthen our balance sheet."

David Bearden commented on his appointment, "As a former supplier to REX, I have been impressed with the Company's role in the markets it serves and its efficiency as an operator. I am very pleased to join Stuart Rose and his team at this point in the Company's development and look forward to an exciting future with REX."

David Bearden holds a Masters of Business Administration degree in marketing from DePaul University and earned a BSBA in Industrial Management from Roosevelt University.

REX Stores Corporation is a leading specialty retailer of consumer electronic products and appliances. As of July 31, 2005, the Company operated 228 stores in 37 states under the trade name "REX."

This news announcement contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements can be identified by use of forward-looking terminology such as "may," "expect," "believe," "estimate," "anticipate" or "continue" or the negative thereof or other variations thereon or comparable terminology. Readers are cautioned that there are risks and uncertainties that could cause actual events or results to differ materially from those referred to in such forward-looking statements. These risks and uncertainties include among other things: the highly competitive nature of the consumer electronics retailing industry, changes in the national or regional economies, weather, the effects of terrorism or acts of war on consumer spending patterns, the availability of certain products, technological changes, new regulatory restrictions or tax law changes relating to the Company's synthetic fuel investments, the fluctuating amount of quarterly payments received by the Company with respect to sales of its partnership interest in a synthetic fuel investment, and the uncertain amount of synthetic fuel production and tax credits received from time to time from the Company's synthetic fuel investments.

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