Schedule F of Form ADV Continuation Sheet for Form ADV Part II	Applicant: Kabarec Financial Advisors, Ltd.	SEC File Number: 801-**28513**	Date: **03/08/05**

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: **Kabarec Financial Advisors, Ltd.**	IRS Empl. Ident. No.: **36-3425202**

Item of Form (identify)	Answer
Part II 1,a,1	INVESTMENT MANAGEMENT SERVICES Kabarec Financial Advisors, Ltd. offers investment management services based upon the following schedule: INVESTMENT MANAGEMENT FEES $0-250,000 1.5% of assets $250,000-$1,000,000 1.0% of assets $1,000,000 & over 0.8% of assets Management fees are billed quarterly in advance. Fees are negotiable. We have the capability of deducting fees from the client's Charles Schwab account with client authorization or payment via Visa or MasterCard with authorization. It is the client's responsibility to test the reasonableness of the fees charged. Discretionary investment management clients generally receive priority on orders being placed.
Part II 1,A,2	Clients who wish to discuss trades with advisor prior to trades generally will not receive the same execution as other clients. Kabarec Financial Advisors, Ltd. offers management of investment advisory accounts involving investment supervisory services. Investments are monitored based on fundamental, technical, and economic factors. Fee structure is based on an hourly charge of $250 per hour for Investment Advisory services, with minimum charge of 3 hours. Clients may terminate this management arrangement at any time upon written request. No fees for hourly work are paid in advance. FINANCIAL PLANNING SERVICES
Part II 1,A,3 & Part II 1,A,7	Kabarec Financial Advisors, Ltd. offers comprehensive financial planning services including investment advice on a fee only basis. No financial products are sold. Financial planning includes retirement planning, educational funding, insurance analysis, and estate planning in addition to specific investment recommendations based upon client's goals, objectives, priorities, risk tolerance, income level, and net worth. Fee structure is based on an hourly charge of $250 per hour for financial planning or investment advice. Clients are give the option of paying a flat fee in lieu of the hourly fee based upon a negotiable figure. Minimum fee for comprehensive financial planning is $4,000. All fees are negotiable. Fees are payable ½ upon signing of the contract for financial planning services and ½ upon completion of the financial plan. No fees for hourly service are paid in advance.

Complete amended pages in full, circle amended items and file with execution page (page 1).

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	Minimum hourly fee is 3 hours or $750.
	Clients may receive a refund of fees upon written request less hourly charges for time incurred to client upon termination. No commissions are received whatsoever from the sales of financial or insurance products.
Part II 3K	Kabarec Financial Advisors, Ltd. may from time to time give investment advice on: (1) Equipment Leasing (2) Any other partnerships economically viable and suitable for client investment (3) Direct investment in Oil and Gas interests. (4) Hedge Funds
Part II 3L	Kabarec Financial Advisors, Ltd. may from time to time give investment advice on Private Placement Securities or Venture Capital Opportunities.
Part II 5	Kabarec Financial Advisors, Ltd. requires those involved in providing investment decisions and advice to have college degrees, have a designation as a Certified Public Accountant, Chartered Financial Analyst or Certified Financial Planner, or be in the process of obtaining such designations, or have substantial experience in the securities industry.

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Item of Form (identify)	Answer	
Part II 6	Michael P. Kabarec, CPA, CFP™, PFS	
	07/25/48	
	Northern Illinois University	B.S.
	Keller Graduate School of Business	
	CFP™ Board of Standards	CFP™ Designation
	University of Illinois	CPA Designation
	American Institute of Certified Public Accountants	Personal Financial Specialist Designation (PFS)
	Internal Revenue Service	Enrolled Agent Designation
	Kabarec Financial Advisors, Ltd.	02/86 to present
	M.P. Kabarec & Associates. (A Sole Proprietorship)	04/82 to 02/86
	Karen A. Kabarec, CFP™	
	01/11/45	
	Colorado State University	B.S.
	Indiana University	M.S.
	CFP™ Board of Standards	CFP™ Designation
	Kabarec Financial Advisors, Ltd.	02/86 to present
	M.P. Kabarec & Associates. (A Sole Proprietorship)	04/82 to 02/86
	Amy Shang Fei	
	09/12/72	
	University of Petroleum	B.S.
	DePaul University	MBA
	Kabarec Financial Advisors, Ltd.	10/02 to present
	Holland Capital Management	04/01 to 07/02
	DaimlerChrysler Financial Service	06/00 to 09/00
	Siemens Transformer Company, Ltd.	01/95 to 08/99
	Huayi Futures Brokerage	07/93 to 12/94
	CFA Institute	Chartered Financial Analyst (CFA)
	Kirk R. Hackbarth, MS, CFP™, CPA	
	02/22/60	
	University of Wisconsin - Whitewater	BBA.
	University of Wisconsin - Whitewater	MS
	CFP™ Board of Standards	CFP™ Designation
	University of Wisconsin	CPA
	American Institute of Certified Public Accountants	Personal Financial Specialist Designation (PFS)
	Kabarec Financial Advisors, Ltd.	02/03 to present
	Kirk R. Hackbarth (sole proprietor)	12/00 to 02/03
	K.P. Financial	05/01 to 02/03
	Virchow, Krause & Company, LLP	09/98 to 12/00
	Dyer Planning & Service Corporation	06/96 to 09/98
	Franklin, Horman & Associates, S.C.	11/93 to 06/96
	Bank One	07/89 to 04/91

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Schedule F of Form ADV
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Applicant:	SEC File Number:	Date:
Kabarec Financial Advisors, Ltd.	801-**28513**	**03/08/05**

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:	IRS Empl. Ident. No.:
Kabarec Financial Advisors, Ltd.	**36-3425202**

Item of Form (identify)	Answer
Part II 6	Michelle L. Borne 04/04/1982 Kansas State University — B.S. Kabarec Financial Advisors, Ltd. — 01/05 to present
Part II 7	Kabarec Financial Advisors, Ltd. in addition to providing investment advice provides the following: 1) Comprehensive financial planning which includes, insurance analysis, retirement planning, educational planning, tax planning, and estate planning, etc. 2) Miscellaneous consultation not including taxes and financial planning, related to financial advice (not specific investment advice, i.e. advice on mortgages or insurance.) 3) Tax consultation.
Part II 8D	Michael P. Kabarec is serving as an advisor for two real estate partnerships: Highland Estates and Gold Hill Mesa. Clients are investors in these partnerships. Michael Kabarec receives no fees or commissions for this investment or any other compensation for this service. He may receive deminimus compensation or reimbursement of travel expenses. He is however an investor in these partnerships. In addition, Michael P. Kabarec was appointed to the Board of Directors of American Rubber Technologies, Inc., a venture capital investment. He is serving for the convenience of his clients. In this capacity, he may receive deminimis board honorarium and reimbursement for travel expenses, and stock options. He is an investor in this venture. Kabarec Financial Advisors, Ltd. may recommend investment in this venture for its clients. Karen Kabarec is serving on the Board of Directors of Cornerstone National Bank and Trust Company of Palatine, Illinois. Clients may be referred to Cornerstone for loans, Certificate of Deposits, Trust or other services. She receives a board honorarium, but no referral fees for her services. Several Kabarec Financial Advisors, Ltd. clients are investors in this venture.

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1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:	IRS Empl. Ident. No.:
Kabarec Financial Advisors, Ltd.	**36-3425202**

Item of Form (identify)	Answer
Part II 9E	Kabarec Financial Advisors, Ltd., officers and employees may from time to time purchase or dispose of the same investments as those recommended to clients that we have performed due diligence on the merits of the investments. In addition, officers and employees may buy securities that are not offered to clients. Officer and employee orders for securities will not precede the majority of client orders. Orders however, may be aggregated and placed at the same time as client orders. At no time will the officers and employees of Kabarec Financial Advisors, Ltd. hold positions in securities or investments that will materially affect investment performance of clients. Principals and Employees of Kabarec Financial Advisors, Ltd. must adhere to their insider trading policy and code of ethics. Clients are generally told that officers or employees have or will invest in similar investments.
Part II 10	Minimum account size is generally $500,000. Account size is negotiable.
Part II 12A(1)	There is no limitation on the securities to be bought or sold. In addition, prices paid for securities may not be the same for all clients due to market conditions and timing on individual purchases.
Part II 12A(2)	There are no limitations on the amount of securities to be bought or sold. All clients may not be offered the same securities, depending on market conditions, or individual client circumstances, objectives, and risk tolerance.
Part II 12A(3&4)	Brokers or dealers are selected depending on quality of research, services, products offered, execution and commission structures. Both discount and full service brokers are used. The lowest cost broker may not necessarily be used. Furthermore, some clients may be charged a different commission from the same broker.
Part II 12B	Kabarec Financial Advisors, Ltd. selects brokers based on the quality of research, services, products offered, execution and commission structures. Both discount and full service brokers are used. The lowest cost broker may not necessarily be used. Charles Schwab is the primary broker but clients have the right to choose their broker. If an order is placed through a broker other than Charles Schwab, a “trade away” fee will be charged by Charles Schwab in addition to the brokerage commissions from the originating broker. On occasion, a broker who is a former employee may be used for trades. This broker is used because of the quality of research and products provided. The brokerage fees incurred because of these trades may not necessarily be the lowest cost transactions. The firm does not receive any compensation from this brokerage arrangement. In addition, Kabarec Financial Advisors, Ltd. uses brokerage services that provide “backoffice” support (i.e. computer interface). However, the relationship to these brokerage firms may not result in the lowest cost transactions. The firm has a soft dollar arrangement with several brokerage firms, where the brokerage firm provides research, access to analysts, investment conferences and access to their research websites in exchange for brokerage commissions from Kabarec Financial Advisors, Ltd.

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1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: **Kabarec Financial Advisors, Ltd.**	IRS Empl. Ident. No.: **36-3425202**

Item of Form (identify)	Answer
	In addition, Kabarec Financial Advisors, Ltd. (Kabarec) may require that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, Member SIPC/NYSE, to maintain custody of clients' assets and to effect trades for their accounts. Schwab Institutional provides Kabarec with access to its institutional trading and operations services, which are typically not available to Schwab retail investors. These services are generally available to independent investment advisors at no charge to them as long as a total of at least $10 million of the advisor's clients' account assets are maintained at Schwab Institutional. Schwab Institutional's services include research, brokerage, custody, access to mutual funds and other investments that are otherwise available only to institutional investors or would require a significantly higher minimum initial investment. Schwab Institutional also makes available to Kabarec other products and services that benefit Kabarec but may not benefit its clients' accounts. Some of these other products and services assist Kabarec in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Kabarec's fees from its clients' accounts, and assist with back-office support, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of Kabarec's accounts, including accounts not maintained at Schwab Institutional. Schwab Institutional may also provide Kabarec with other services intended to help Kabarec manage and further develop its business enterprise. These services may include consulting, publications and presentations on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, Schwab may make available, arrange, and/or pay for these types of services to Kabarec by independent third-parties. Schwab institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Kabarec. [The availability to Kabarec of the foregoing products and services is not contingent upon Kabarec committing to Schwab Institutional any specific amount of business (assets in custody or trading).]
Part II 13B	Portions of most clients' portfolios are in mutual funds. The mutual funds pay advisory fees to the fund advisor and/or managers which reduce the net asset value of their mutual fund holdings. In addition, Kabarec Financial Advisors, Ltd. bills its clients on an advisory fee based on the value of its client's total portfolio which includes their mutual fund holdings. As a result, clients pay two levels of advisory fees for the management of their assets, both directly to Kabarec Financial Advisors, Ltd. and indirectly through the management fees assessed by the funds making up their portfolio. Whenever possible, we use the services of "no-load" or low load products that do not required the use of a broker to handle the transaction. However, for most clients no-load mutual funds may be purchased through discount brokers with a transaction charge, even though these funds may be purchased directly from the mutual fund companies without a transaction charge. This is done for the convenience of "switching" and investment consolidation for the client and advisor. We also receive a wide range of fundamental, technical and economic research from a variety of brokers which we may pay for with brokerage commissions that may or may not directly benefit a particular client at that particular time. We also do brokerage business with brokers that have been instrumental in getting us new business.

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Kabarec Financial Advisors, Ltd.	801-**28513**	**03/08/05**

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1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:	IRS Empl. Ident. No.:
Kabarec Financial Advisors, Ltd.	**36-3425202**

Item of Form (identify)	Answer
	Some mutual fund and/or broker dealer companies from time to time hold meetings or conferences for business and educational purposes. The mutual fund and or broker dealer may pay for all or a portion of the travel or lodging expense to attend these business or educational conferences. In addition, gifts of a deminimis nature including lunches or dinner, golf or entertainment may be received from time to time from mutual fund companies, broker dealers or referral sources. Also deminimis gifts may be given to related professionals who may be potential referral sources. Beginning in 1992, Kabarec Financial Advisors, Ltd. sold its accounting and tax preparation business to the accounting firm of Benham, Ichen, and Knox, L.L.P. (BIK). Because of this relationship, clients may be referred to BIK for accounting and tax services needed. In addition, BIK may refer clients to Kabarec Financial Advisors, Ltd. for Investment Advisory or Financial Planning Services. No compensation is paid to or received from BIK for the referral arrangement.
Part II P2 A & B	*Proxy Voting* Kabarec Financial Advisors, Ltd. ("Kabarec") does not exercise proxy voting authority over client securities. Kabarec may give advice concerning proxy voting to its clients but does not exercise any authority to vote client proxies. When material conflicts of interest exist in giving advice to clients concerning how to vote proxies, Kabarec will disclose to its clients those material conflicts

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