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FEB 14 2002

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF OKLAHOMA**

MICHAEL L. WILLIAMS, CLERK
U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF OKLAHOMA

IN RE:

**RANDOLPH W. KILIAN and WANDA F.
KILIAN,**

Debtors.

**Case No. 01-04216-M
Chapter 7**

JUDGMENT

THIS MATTER came before the Court for consideration of the Trustee's Objection to Debtors' Claim of Exemption filed by Patrick J. Malloy III, Trustee herein. The issues having been duly considered, and a decision having been duly rendered, for the reasons set forth in the Memorandum Opinion filed concurrently herewith,

IT IS HEREBY ORDERED that the Trustee's Objection to Debtors' Claim of Exemption filed by Patrick J. Malloy III, Trustee herein, be, and the same hereby is, granted in part and denied in part.

IT IS FURTHER ORDERED that any and all recoveries in Case No. CJ-99-279 in the District Court in and for Tulsa County, Oklahoma, (the "State Court Action") which relate to the actual payment of proceeds from the policy of insurance issued by American Insurance Company with Wanda F. Kilian as beneficiary are exempt.

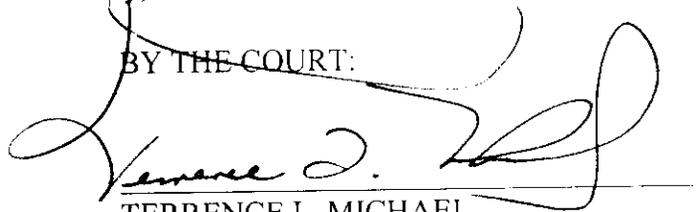
IT IS FURTHER ORDERED that any and all recoveries in the State Court Action which

arise from the award of punitive or exemplary damages, bad faith and/or infliction of emotional distress are not exempt, and constitute assets of this bankruptcy estate.

IT IS FURTHER ORDERED that any and all recoveries in the State Court Action which arise from the award of attorneys' fees and court costs are not exempt, and constitute assets of this bankruptcy estate, subject to any claims which may exist by the attorneys who undertake the State Court Action on behalf of the plaintiffs therein.

Dated this 14th day of February, 2002.

BY THE COURT:



TERRENCE L. MICHAEL
UNITED STATES BANKRUPTCY JUDGE

cc: Patrick J. Malloy III
Gary G. Grisso

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