

# LOAD KARMA, INC.

---

May 19, 2026

**VIA EMAIL ONLY**

David E. Outwater, Esq.  
Outwater & Pinckes, LLP  
900 Roosevelt  
Irvine, CA 92620  
doutwater@oplawyers.com

**Re: M S International, Inc. – Load Karma, Inc. Settlement Proposal**

**INADMISSIBLE SETTLEMENT COMMUNICATION**

*(Pursuant to Cal. Evidence Code §§ 1152 / 1154 and Federal Rules of Evidence 408;  
Subject to the Non-Disclosure Agreement dated September 2, 2025)*

Dear Mr. Outwater:

This letter follows our recent telephone conversation and confirms Load Karma, Inc.'s ("Load Karma") settlement proposal in advance of its contemplated bankruptcy filing.

**Background**

M S International, Inc. ("MSI") has been a customer of Load Karma. As of the date of this letter, MSI carries an outstanding accounts receivable balance with Load Karma of USD \$371,217 across approximately 200 invoices, all of which are more than ninety (90) days past due (the "AR"). A current A/R Aging Detail Report, prepared by Load Karma's accounting staff, is enclosed and itemizes the invoices, dates, and balances comprising that total.

MSI's prolonged non-payment has been a material contributor to the financial distress now driving Load Karma toward bankruptcy, and has caused real and quantifiable harm to its working capital, operations, and continued viability.

**Effect of a Bankruptcy Filing**

Once Load Karma files, the AR and any consequential damages arising from MSI's non-payment will become assets of the bankruptcy estate. The duly appointed trustee will be obligated to pursue those amounts in full and through public process — including, as appropriate, discovery into MSI's business records and communications relevant to its non-payment and prior dealings with Load Karma. Court filings, schedules, and any proofs of claim become matters of public record at filing.

You have indicated that MSI prefers to resolve the matters between the parties privately. The window to do so before that becomes impossible is closing.

### Settlement Proposal

Load Karma proposes the following resolution, in full and final satisfaction of all matters between the parties:

1. **Payment.** Within ten (10) business days of a fully executed settlement agreement, MSI shall pay Load Karma USD \$334,095 by wire transfer to an account designated by Load Karma. This amount represents a ten percent (10%) discount from the documented outstanding AR balance of \$371,217 and is offered solely in consideration of an immediate, confidential, pre-petition resolution.
2. **Mutual General Release.** Upon receipt of payment, the parties shall execute a full and final mutual general release covering any and all claims, demands, causes of action, sums, rights, and damages of every nature — known or unknown, asserted or unasserted, contingent or fixed — arising out of or related to the parties' commercial relationship, the Non-Disclosure Agreement dated September 2, 2025, the matters referenced in prior correspondence (including the Sandeep G. matter), or any conduct alleged between the parties through the date of release. The release shall be effective and binding in any forum, including any bankruptcy, insolvency, or receivership proceeding involving either party, and shall extend to each party's officers, directors, employees, affiliates, agents, counsel, predecessors, and successors.
3. **Continued Confidentiality.** The settlement agreement and the underlying dispute shall remain confidential pursuant to the NDA. Neither party shall make any disparaging statements regarding the other.
4. **No Admission.** Settlement shall not constitute, and shall not be construed as, an admission of liability or wrongdoing by either party.

### Timing

Please confirm MSI's position no later than **close of business on Tuesday, May 26, 2026** (one week from the date of this letter). If the proposed structure is acceptable, Load Karma will arrange to circulate a settlement agreement promptly. If MSI declines or fails to respond by that date, Load Karma will proceed with its bankruptcy filing without further notice, after which the matters between the parties will pass to the assigned trustee and proceed publicly.

Nothing in this letter shall be construed as an admission of liability or a waiver of any claim, defense, right, or position, all of which are expressly reserved. This letter is made in confidence, for settlement purposes only, and is not admissible in any proceeding.

Very truly yours,

LOAD KARMA, INC.

  
\_\_\_\_\_  
**Kelvin Yan**

President

**Enclosure:** A/R Aging Detail Report (MSI)