UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF CALIFORNIA

Jeremy Ryan v. Best In Slot, LLC, et al.

Case No. 25-cv-2348-AGS-BLM · No. 25-cv-2348-AGS-BLM · Decided October 22, 2025

SUMMARY

The United States District Court for the Southern District of California partially dismissed Jeremy Ryan’s second amended complaint against Best In Slot, LLC and related defendants following mandatory screening under 28 U.S.C. § 1915(e)(2). The court allowed contract, promissory-estoppel, and unjust-enrichment claims to proceed, but dismissed fraud-based claims for failure to satisfy pleading requirements. Ryan was granted leave to file a third amended complaint or elect to proceed on the surviving claims by November 14, 2025.

CASE DETAILS

COURT	United States District Court for the Southern District of California
WRITING FOR THE COURT	Andrew G. Schopler
JURISDICTION	United States District Court for the Southern District of California
DECIDED	October 22, 2025
DOCKET	25-cv-2348-AGS-BLM
DISPOSITION	other
PROCEDURAL POSTURE	In forma pauperis plaintiff's second amended complaint was screened under 28 U.S.C. § 1915(e)(2). The court allowed contract and quasi-contract claims to proceed past screening, dismissed fraud-based claims for failure to satisfy pleading requirements, and granted leave to amend.
STANDARD OF REVIEW	For mandatory in forma pauperis screening, the court dismissed claims that failed to state a claim. The court applied the Rule 8(a)(2) and Rule 12(b)(6) plausibility standard, together with Rule 9(b)'s heightened particularity requirement for fraud-based claims.
PRECEDENTIAL VALUE	Unknown; unpublished district court order
PARTIES	Jeremy Ryan v. Best In Slot, LLC, Best In Slot, LLC's principals, Related entity

TOPICS

motions to dismiss | pleadings | breach of contract | promissory estoppel | unjust enrichment

PRACTICE AREAS

civil procedure | contracts | consumer protection | commercial litigation

QUESTIONS PRESENTED

1. Whether the contract, promissory-estoppel, and unjust-enrichment claims were sufficiently pleaded to survive mandatory in forma pauperis screening.
2. Whether the fraud-based claims satisfied Federal Rule of Civil Procedure 9(b)'s particularity requirement and the plausibility standard.
3. Whether the plaintiff should receive leave to amend the dismissed claims.

HOLDINGS

1. The allegations that defendants promised to distribute 100% of tokens to stakers, that Ryan accepted and relied on the promise by staking, and that defendants breached the promise through overselling or overallocating tokens were sufficient to allow the breach-of-contract claim to proceed past screening. The same allegations also sufficiently supported alternative promissory-estoppel and unjust-enrichment theories.
2. The intentional-misrepresentation, negligent-misrepresentation, unfair-business-practices, and false-advertising claims were insufficient because the complaint did not identify each defendant's role, did not specify when the alleged representations were made, and did not plausibly allege fraudulent intent at the time of the promise.
3. The court granted Ryan one final opportunity to amend the dismissed claims or elect to proceed on the surviving claims.

KEY QUOTATIONS

> *"Taken as true, these allegations are sufficient to pass the "low threshold for proceeding past the screening stage" and state a breach-of-contract claim."* (at 2)

> *"Rule 9(b) does not allow a complaint to merely lump defendants together but requires plaintiffs to differentiate their allegations when suing more than one defendant"* (at 3)

> *"To plausibly allege fraudulent intent, Ryan must demonstrate more than that defendants failed to follow through on a previous representation."* (at 4)

> *"The third amended complaint must be complete by itself without reference to any previous version of the pleading; defendants not named and any claims not re-alleged in that complaint will be considered waived."* (at 5)

FACTUAL BACKGROUND

Ryan alleged that he acquired and staked 105 ordinals on defendants' cryptocurrency coin in reliance on an express representation that 100% of the token allocation would be distributed to stakers on a score-weighted basis. He alleged that defendants later oversold or overallocated tokens, causing a substantial dilution of his expected share. His complaint asserted contract, promissory-estoppel, unjust-enrichment, intentional-misrepresentation, negligent-misrepresentation, unfair-business-practices, and false-advertising claims.

PROCEDURAL HISTORY

Ryan proceeded without counsel and in forma pauperis. The court had previously dismissed his original and first amended complaints during mandatory screening. On review of the second amended complaint, the court found Counts 1, 2, and 7 sufficiently pleaded to proceed but dismissed Counts 3 through 6, with one final opportunity to amend or elect to proceed on the surviving claims.

DISPOSITION

other

CASES CITED

- Lopez v. Smith, 203 F.3d 1122, 1127 (9th Cir. 2000)
- Ashcroft v. Iqbal, 556 U.S. 662, 678, 686 (2009)
- Bell Atlantic Corp. v. Twombly, 550 U.S. 544, 570 (2007)
- Byrd v. Maricopa County Board of Supervisors, 845 F.3d 919, 924 (9th Cir. 2017)
- Bodenburg v. Apple Inc., 146 F.4th 761, 767 (9th Cir. 2025)
- Graham-Sult v. Clainos, 756 F.3d 724, 749 (9th Cir. 2014)
- Best Carpet Values, Inc. v. Google, LLC, 90 F.4th 962, 973 (9th Cir. 2024)
- Davidson v. Kimberly-Clark Corp., 889 F.3d 956, 964 (9th Cir. 2018)
- Vess v. Ciba-Geigy Corp. USA, 317 F.3d 1097, 1106 (9th Cir. 2003)
- Swartz v. KPMG LLP, 476 F.3d 756, 764-65 (9th Cir. 2007)
- Welk Biology Co. v. Hakumo LLC, No. 2:24-CV-01613-APG-NJK, 2025 WL 2421232, at *12 (D. Nev. Aug. 20, 2025)
- Eclectic Properties East, LLC v. Marcus & Millichap Co., 751 F.3d 990, 998-99 (9th Cir. 2014)
