

The Conviction Illusion

One subnet owner sold roughly three quarters of their position over six weeks. The whole time, the number everyone uses to check whether a founder is committed said 97% locked. It was not lying. It was answering a different question, and almost nobody realises which one.

If you are putting TAO into a subnet, one of the first things you probably check is whether the owner has locked their alpha. It is public, it is a single number, and it feels like it tells you something important: does the person who built this have skin in the game, or are they quietly heading for the exit?

We went looking for how well that number works. The answer is that it does not work, in three separate ways, and the failures stack on top of each other. On some subnets it is measuring something the protocol did automatically. On others it hides an owner selling. And on at least one subnet, everything looks perfect while nearly 39% of the supply sits in wallets connected to the owner, almost none of it locked.

To put that in plain terms: if you bought into SN122 six weeks ago because the owner looked committed, the number you were relying on read 97% locked the entire time you held it, while the owner sold their way down from roughly 127,000 alpha to 16,000. Nothing about that reading was false. It simply was not answering the question you were asking.

This report shows you where the number breaks, names the subnets where we can demonstrate it, and ends with the five things worth checking instead.

70 of 128 OWNERS HAVE LOCKED NOTHING AT ALL	11 of 15 TOP LOCK SCORES WERE DONE BY THE PROTOCOL	10 OWNERS BEGAN SELLING IN THE LAST TWO WEEKS	10,328 TAO TAKEN OUT BY 7 OWNERS IN TWO WEEKS
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READ THIS BEFORE THE NUMBERS

This is a snapshot, not a full history. Chain state was read on 11 August 2026. Most flow figures cover a fourteen day window, with a longer reconstruction where our archive supports one. Positions change constantly and some of these numbers will be stale by the time you read them.

We can see what happened, not why. Everything here comes from public chain data. It shows what wallets did, when, and in what size. It cannot show intent, and we make no claim about anyone's motives. Every pattern below has at least one innocent explanation, and we say so where it applies.

We are not experts and do not claim to be. We are traders and engineers running a node and reading what it returns. Chain data can be misread and any tooling that reads it can get things wrong, including ours. Check everything yourself.

Start with the simplest question: is anything locked at all?

Before asking whether the lock number is honest, it is worth asking how many owners have one.

Most do not.

OWNER ALPHA LOCK ACROSS ALL 128 SUBNETS

128 SUBNETS



55% of subnet owners have committed no alpha whatsoever.

Seventy owners out of 128 have locked nothing. Of the 58 with something locked, 13 sit on subnets where the protocol does the locking automatically, which we come to next. That leaves 45 subnets where the lock reflects an actual decision by the owner.

So for more than half the field, the question of whether the lock number is trustworthy does not arise. There is no lock. That on its own is worth knowing before you read anyone's marketing.

The interesting failures are in the minority who do have a lock, and that is where the rest of this report lives.

Failure one: sometimes the protocol locks it for them

Thirteen subnets have a setting switched on called `OwnerCutAutoLockEnabled`. Where it is on, the protocol automatically locks the owner's share of emissions as it arrives. The owner does nothing. The number climbs by itself.

You can see it clearly by watching a single day and asking a simple question: of the new alpha that arrived in the owner's wallet, how much ended up locked?

OF NEW ALPHA ARRIVING IN ONE DAY, HOW MUCH GOT LOCKED



Two completely different behaviours. On auto-lock subnets, essentially everything that arrives gets locked, automatically, forever. Where the setting is off, the lock does not move at all while the balance grows: somebody locked an amount once, on purpose, and left it. The first tells you nothing about the owner. The second tells you something real.

Eleven of the fifteen highest owner lock scores on the network are auto-lock subnets. If you have been ranking subnets by founder commitment, most of the top of your list is really a ranking of which subnets have received the most emissions.

To be clear, nobody is doing anything wrong here. It is a protocol feature and it is public. The owners on those subnets did not cause the reading. The problem is the number, and reading it without knowing whether the switch is on.

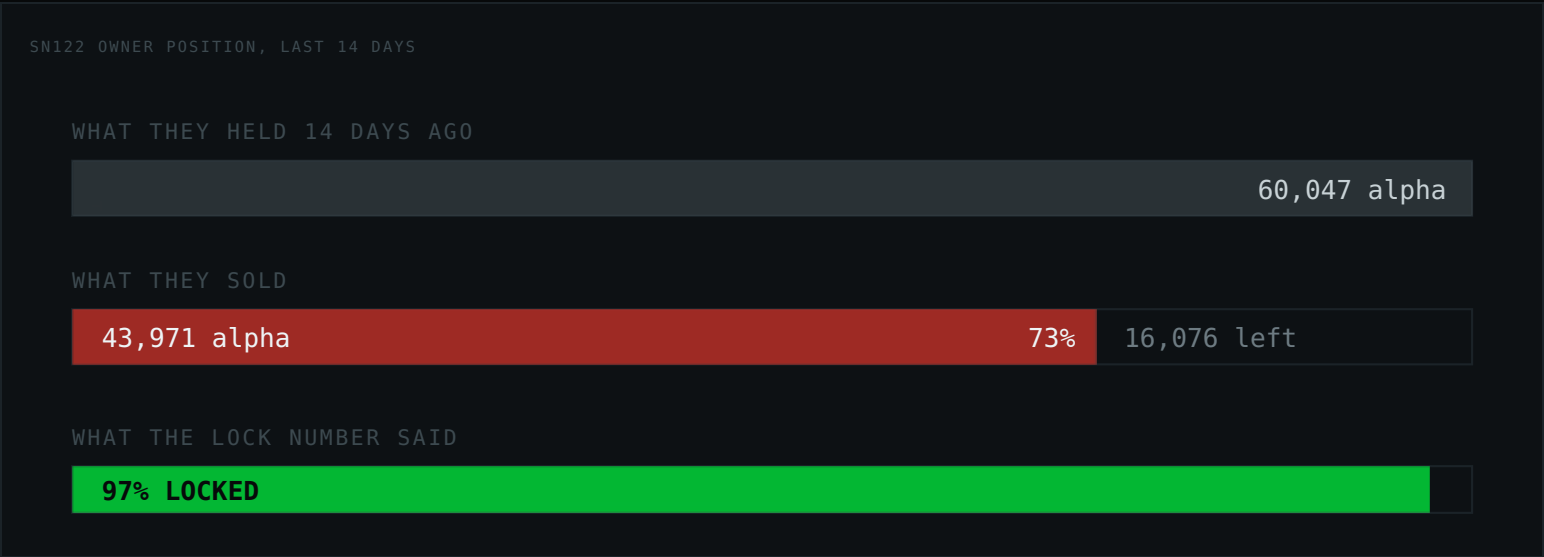
Failure two: it can hide an owner selling

This is where it stops being a measurement quibble and starts costing people money.

Because auto-locked alpha keeps arriving in the locked pile, the percentage stays high whatever else the owner does. If they are selling at the same time, the two movements partly cancel out. The headline number stays healthy. The selling does not show up.

Two subnets in the current field demonstrate this.

SN122 CookingTA0



The owner sold 73% of what they held two weeks earlier. The public number said 97% locked. Both are correct. Emissions kept flowing into the locked pile automatically, holding the percentage up while the actual position collapsed underneath it.

Widen the window and it gets worse, not better. This owner has been selling since at least 1 July. Over the whole period we can reconstruct, they removed **111,141 alpha**, taking the position from at most 127,217 down to 16,076. The last two weeks are not the start of anything. It is a long, steady unwind that has been running for six weeks, and the lock number was reading in the nineties throughout.

SN87 Provenonce

Same reading, opposite story, which is why the distinction is worth making.

SN87's owner removed **13,230 alpha**, roughly 11% of what they held two weeks earlier, and the lock number also read 97%. But this owner sold nothing at all in the seventeen days before that. This is new behaviour, starting recently, rather than the continuation of a long exit.

SUBNET	SOLD, 14D	SHARE OF POSITION	HELD NOW	LOCK SAID	PATTERN

SN122 CookingTA0	43,971	73%	16,076	97%	6 week unwind
SN87 Provenonce	13,230	11%	105,415	97%	newly started

Those two are not unusual. Across the whole network, **33 subnet owners are currently selling in size**. Here is every one of them, with how much they sold in the last two weeks, how much they have sold over everything we can reconstruct, and whether this is new behaviour or an unwind that has been running for a while.

Subnet	Sold, last 14 days	Sold, whole window	Pattern
SN112 minotaur	249,874	249,874	NEW
SN100 BASE	224,787	224,787	NEW
SN9 iota	220,200	220,200	NEW
SN71 Leadpoet	129,888	129,888	NEW
SN113 TensorUSD	85,049	85,049	NEW
SN118 Ditto	62,743	62,743	NEW
SN122 CookingTA0	43,971	111,141	CONTINUOUS
SN55 NIOME	41,540	41,540	NEW
SN59 Babelbit	26,151	81,884	CONTINUOUS
SN110 Green Compute	20,960	41,219	CONTINUOUS
SN62 Ridges	20,018	24,715	T00 EARLY TO SAY
SN1 Apex	20,000	35,000	T00 EARLY TO SAY
SN13 Data Universe	20,000	35,000	T00 EARLY TO SAY
SN70 NexisGen	19,996	37,695	SPEEDING UP
SN69 Herald	19,937	38,095	CONTINUOUS
SN36 Leoma	19,805	37,478	CONTINUOUS
SN21 AdTA0	19,802	38,879	CONTINUOUS
SN20 ChronoSeek	19,197	20,600	T00 EARLY TO SAY
SN78 Vocence	18,771	36,879	CONTINUOUS
SN26 Perturb	18,600	36,730	CONTINUOUS
SN54 Yanez MIID	18,368	37,857	CONTINUOUS
SN30 Endure Network	18,338	35,984	SPEEDING UP
SN35 OxMarkets	16,783	34,690	CONTINUOUS
SN11 TrajectoryRL	14,992	14,992	NEW
SN104 Masx.ai	13,608	2,215,397	SLOWING
SN87 Provenonce	13,230	13,230	NEW
SN27 Orion	11,614	11,750	SPEEDING UP
SN115 HashiChain	11,322	119,406	CONTINUOUS
SN119 Satori	11,028	145,566	CONTINUOUS
SN56 Gradients	10,000	20,335	CONTINUOUS
SN82 Compelle	6,998	33,446	CONTINUOUS
SN45 AlphaRidge.ai	2,400	6,600	CONTINUOUS
SN102 ConnitoAI	58	58	NEW

Ten of these owners started selling inside the last two weeks. Fifteen have been selling continuously for longer.

Three are speeding up, one is winding down the tail of a much larger exit, and four have too little history for us to call either way.

The column that matters most is the difference between the two number columns. Where they are identical, everything on record happened in the last two weeks: SN112, SN100, SN9, SN71 and SN113 each sold six figures of alpha with nothing on record before. Where the second number is much larger, the recent selling is part of something longer, and SN104 is the extreme case at 2.2 million alpha sold over four months, of which the last two weeks are a rounding error.

What that is actually worth

Alpha figures are hard to feel. So here is the same selling in TAO, and this is not a price estimate: the chain records the TAO that moved on every one of these transactions, so this is what the sellers actually received.

SUBNET	ALPHA SOLD, 14D	TAO RECEIVED	WHEN
SN9 iota	220,200	7,326	4 and 10 Aug
SN100 BASE	224,787	1,244	9 Aug
SN112 minotaur	249,874	646	5 Aug
SN71 Leadpoet	129,888	599	29 Jul, 5 Aug
SN113 TensorUSD	85,049	255	1 and 6 Aug
SN122 CookingTAO	43,971	207	6 Aug
SN87 Provenonce	13,230	50	2 and 10 Aug
Total	967,000	10,328	two weeks

Seven subnet owners took just over 10,300 TAO out of their own subnets in two weeks. One of them, SN9, accounts for 7,326 of it across two days.

Widen the window and SN122 alone comes to 1,082 TAO since 1 July, roughly double what the same alpha would fetch today, because the July sales executed at around twice the current price. SN104's four month exit realised at least 4,622 TAO, and that figure covers only about half the transactions: the rest fall inside a gap in our archive where the amounts were not recorded.

ONE THING THIS DOES NOT MEAN

These are the amounts received, so they are not affected by later price moves. But do not read them as what the same alpha is worth now. Selling into these pools moves the price against the seller, and several of these positions are enormous relative to the pool they sit in. SN100's two week sale was 47% of its pool's alpha reserve. SN104's total position was larger than its entire pool. A holder looking at a position that size should assume the exit price is well below the quoted one.

ONE PATTERN IN THAT TABLE WE CANNOT EXPLAIN

Nine of those owners look almost identical. SN110, SN70, SN69, SN36, SN21, SN78, SN26, SN54 and SN30 have each sold between 18,000 and 21,000 alpha in the last two weeks, and each now holds between 276 and 447. The amounts are near identical. So are the leftovers. None of them has anything locked.

The obvious guess is owners selling their emission share as it arrives, which would leave a small residue and a steady outflow of similar size on subnets earning similar emissions. That is a guess and we have not tested it. It could equally be an automated sweep to a treasury, a custody arrangement, or a shared service several teams use. If you can explain it, we would like to hear it.

HOW TO READ THE SECOND COLUMN

The whole window figure covers as far back as our archive reaches, up to about four months, and it is exact: these are dated transactions. What we cannot state exactly is what anyone held at a past date, because emissions arriving in the meantime cannot be separated out. Where we give a past position it is a ceiling, not a measurement.

Two entries are small enough to be noise and are included only because they appear elsewhere in this report. Judge the table by the top of it.

Failure three: the alpha can simply be somewhere else

Now the case that matters most, because on this one the lock number itself looks fine.

SN53's owner has 99% of their alpha locked. The auto-lock setting is on, so treat that with the scepticism the last few sections earned, but even taken at face value it looks like a committed founder.

Then you look at who actually holds the subnet.

WHO HOLDS SN53

FOUR CONNECTED WALLETS, 38.87% OF THE SUBNET



NOT LOCKED

The lock number can only see the green sliver on the left.

Nearly 39% of SN53 sits across the owner wallet and three others the chain connects to it. All but the small green piece is unlocked and free to sell at any time. We are not saying anyone will sell it. We are saying the metric everyone checks cannot see any of it.

How it got there, and why the obvious check misses it

The natural assumption is that the owner swapped to a new coldkey and left the alpha behind in the old one. That is worth ruling out properly, because if it were true you could catch it by looking at swap records.

It is not what happened, and the chain is unambiguous about it. Of the nineteen coldkey swaps on record, **every single old key holds exactly zero stake on every subnet**. A formal coldkey swap moves everything, including the free balance. It cannot leave alpha behind even if someone wanted it to.

What our event archive shows on SN53 is a different sequence:

THE ORDER OF EVENTS

4 May 2026 and **27 June 2026**: a wallet we will call the predecessor sends SN53 alpha out to two other wallets. Eight transfers in total.

4 July 2026: the same predecessor wallet sends 0.291 TAO to a brand new coldkey. That transaction is the new coldkey's first appearance anywhere in fourteen months of chain history.

Today: that new coldkey is the subnet owner, holding 1.27% of supply with 99% of it locked. The predecessor wallet still carries an owner flag in our records while owning no subnet at all.

The alpha left *before* ownership changed hands. That ordering is the whole thing: there was never a swap to find, so nothing that checks swap records will ever flag this.

We also rebuilt the connection independently, working only from funding and transfer history rather than from the holder table, to see how much we could prove rather than observe. That method **proves 25.35%** of supply is owner-connected and **traces a further 3.80%** where we can see the alpha move but cannot establish the proportion. It stops short of the 38.87% the holder table shows. We report both numbers and never add them together.

THE FAIR READING

Two subnets out of 128 show a pattern like this, SN53 and SN122. It is demonstrable, not widespread. And moving alpha between related wallets has plenty of ordinary explanations: custody arrangements, team allocations, separating operational funds from long-term holdings. We cannot tell those apart from anything else, and we are not trying to. The narrow, provable point is that the lock metric shows you 1.27% of this subnet and reads like a statement about all of it.

The list this should have been all along

Everything above says what the published number cannot tell you. So here is the version that can.

For every subnet we took the alpha locked by the owner coldkey *and* by every wallet the chain ties to it through funding and transfers, and measured it against the subnet's actual staked alpha rather than against the owner's own bag. That is the number that answers "how much of this subnet is genuinely committed."

Click any row to see the wallets and the transfers that connect them. On the bar, the bright section is the owner key alone and the faded extension is the connected wallets.

#SUBNET+CONN		
1	SN122 CookingTAO	47.57%
2	SN79 MVTRX	43.33%
3	SN31 rec4ll	42.60%
4	SN98 NeverPlayAlone	39.68%
5	SN96 Verathos	38.58%
6	SN126 Poker44	33.66%
7	SN2 DSperse	31.15%
8	SN108 Prometheon	29.72%
9	SN8 Vanta	27.23%
10	SN88 Investing	26.08%
11	SN36 Leoma	24.31%
12	SN72 StreetVision	23.48%
13	SN22 Desearch	22.23%
14	SN109 Finsight	21.11%
15	SN60 Bitsec.ai	20.90%

16	SN64	Chutes	19.15%
17	SN123	MANTIS	19.09%
18	SN106	Nodexo	18.08%
19	SN61	RedTeam	18.03%
20	SN32	ItsAI	18.00%

Read the two percentage columns together. The **Owner key** column is what the owner coldkey alone has locked. **+Connected** adds the wallets tied to it by transfers. Where they match, the owner coldkey is the whole story and the published figure is roughly honest. Where the second is much larger, the connected group has committed far more than any single-wallet reading shows: **SN122 goes from 7.8% to 47.6%, SN96 from 10.4% to 38.8%, SN36 from nothing to 24.3%.**

SN36 is worth a second look for the same reason as SN122: it appears in the selling table above as a continuous seller, and here as a connected group that has locked a quarter of the subnet. Both readings come from the same chain. Neither is the whole picture on its own, which is the argument this report has been making throughout.

Six of the top twenty are auto-lock subnets, marked **auto** in the Lock column. On those the protocol did the locking, so treat the figure as a fact about the subnet rather than a decision by its founder.

WHAT IS IN EACH PANEL

Expanding a row splits its wallets into two groups. **PROVEN** are wallets whose share of the subnet we can establish, listed with what they hold, what they have locked, and the reason they are in the group. **CONNECTED** are wallets that alpha reached from this group but where the quantity could not be established, so no share is claimed for them and none is counted in the figures above. Where wallets are withheld, the panel says how many and why.

Across the twenty subnets that is 78 wallets with an established share, 88 connected without one, and 9 withheld. The claim throughout is connection by transfer on chain. It is not a claim of common ownership, and nothing here establishes who holds the keys to any wallet.

SN122, AND WHY WE ARE SHOWING YOU BOTH HALVES

SN122 tops this list at 47.6% committed. It also appears earlier in this report as an owner who sold 73% of their position in two weeks and 111,141 alpha since July.

Both are true, and neither cancels the other. The owner *coldkey* sold heavily and received 1,082 TAO. The wider connected group holds 69.7% of the subnet and has locked 47.6% of it. The published lock figure showed neither of those things: it read 97%, which described a shrinking wallet propped up by automatic emissions.

We are showing you both because a report arguing that single-wallet readings mislead would be a poor one if it then published a single-wallet reading. What the chain supports is narrow: one wallet sold, a connected group holds and has locked a lot, and the number people check told you about neither.

The other end of the list

The top twenty is the flattering half. This is the one worth acting on.

Sixty four of 128 subnets have locked nothing at all, not in the owner wallet and not in any wallet connected to it. That is fewer than the 70 we started with, because counting connected wallets found a lock on six subnets where the owner key alone showed none. It is still half the network. Sorted by how much of their own subnet those owner groups hold:

SUBNET	OWNER GROUP HOLDS	LOCKED
SN57	82.3%	nothing

SN12 Compute Horde	64.6%	nothing
SN67 Harnyx	60.2%	nothing
SN101 Tag101	51.9%	nothing
SN112 minotaur	51.1%	nothing
SN45 AlphaRidge.ai	47.0%	nothing
SN29 hotfloat	43.6%	nothing
SN104 Masx.ai	40.4%	nothing
SN127 Astrid	40.0%	nothing
SN97 Albedo	38.9%	nothing

An owner group sitting on 82% of a subnet with none of it committed is not doing anything wrong. It is simply free to sell all of it tomorrow, and no lock figure anywhere will warn you first. None of these ten is an auto-lock subnet, which is the direction you would expect: nobody chose to lock anything, and the protocol was not doing it for them either.

THE HALF OF THIS NOBODY PUBLISHES

Ten subnets look considerably better on this measure than their headline suggests, not worse. SN61, SN36 and SN6 are the largest three, and all show an owner group far more committed than a single-wallet reading gives them credit for. A broken metric is not a metric that always flatters. It is one that is uninformative in both directions, and correcting it moves subnets both ways.

HOW THE WALLET LINKING WORKS, AND WHERE WE STOPPED

Wallets are admitted to an owner group by funding and stake-origin edges, two hops from the owner coldkey. That is evidence of a chain relationship, not proof that two wallets belong to the same person or organisation.

Where a group looked implausible we withheld it rather than publish it. Twelve subnets have members held back, and one, SN89, is withheld entirely: it produced a 66 wallet group, 62 of them admitted through a single funder, holding about half an alpha each. Its owner-only figure still appears in the bottom table, which is where its actual finding lies. Ninety two subnets have a group beyond the owner wallet; eighty four survived that filter.

Two full runs thirty minutes apart produced identical membership on every subnet.

So what should you actually check?

Five things, in order of how much they tell you.

- 1 Is anything locked at all?

For 70 of 128 subnets the answer is no. That is the fastest filter available and most people skip it.
- 2 Did the owner lock it, or did the protocol?

Check whether `OwnerCutAutoLockEnabled` is on. If it is, a high lock percentage tells you the subnet earns emissions, not that the founder is committed. This affects eleven of the fifteen highest scores on the network.

3 Is the balance going up or down?

Far more useful than the lock percentage. A falling balance is a decision someone made. A rising lock percentage might just be arithmetic. Watch the direction, not the level.

4 How much of the subnet does the owner actually hold?

"99% of their alpha" and "1.27% of the subnet" describe the same position. Only the second one is about the subnet you are buying into.

5 Where did the owner's wallet come from?

The hardest one, and the one that catches SN53. Look at what funded the owner coldkey and what that funding wallet did beforehand. Checking swap records is not enough, because a formal swap moves everything and leaves nothing behind. The alpha moves before the ownership does.

THE SHORT VERSION

Treat the owner lock percentage as a starting point, never a conclusion. It cannot tell you whether an owner is committed. At best it tells you that on this one wallet, at this one moment, a certain fraction is not immediately sellable. Everything that matters, whether they are selling, how much of the subnet they hold, and what else they control, sits outside what that number can see.

APPENDIX

How we did this, and where it might be wrong

Chain state was read live from our own Bittensor mainnet node, backed by a fourteen month archive of 37.1 million indexed events going back to 12 June 2025. Current figures are cross-checked against Taostats. The two central claims, the auto-lock behaviour and the owner-versus-subnet share, can be reproduced by anyone with a node from three storage items:

`OwnerCutAutoLockEnabled`, `SubnetAlphaOut` and `TotalHotkeyAlpha`.

The things that could make these numbers wrong:

- **The window is short.** Most figures cover fourteen days. Two weeks of behaviour is not a claim about anyone over a year.
- **History is limited.** Subtensor discards old state after about fifty minutes. We can only see back as far as our own archive, and nothing recovers what came before it for anyone.
- **Past positions are estimated, not measured.** We work backwards from today's holdings plus recorded flows. Emissions arriving in the meantime cannot be separated out, so older position figures are ceilings rather than exact numbers. On SN122 the figure from six weeks ago could be overstated by as much as three quarters. The amounts sold are not affected: those are dated transactions and are exact.
- **Wallet connections are inferred.** We link wallets by funding and transfer history. That is evidence of a chain relationship, not proof that two wallets belong to the same person or organisation.
- **TAO amounts are what the chain recorded, not an estimate.** Every removal carries the TAO that moved, so the sale figures are exact rather than modelled from a price. One exception: removals between 24 April and 8 May 2026 fall

inside a gap in our archive where amounts were not captured, which affects about half of SN104's total.

- **Not every outgoing transfer is a sale.** When an owner moves alpha between their own hotkeys, the chain records a matching removal and addition in the same block. Counted naively that reads as a large sale, so we net flows within each block before totalling them. On SN53 this is the difference between an apparent 32,349 alpha of selling and the actual figure of 300. Anyone reading these events should apply the same netting.

What would change our minds

- A demonstration that the auto-lock setting does not behave the way the daily figures suggest.
- Evidence that the SN87 or SN122 removals were internal transfers rather than sales.
- A public account of the relationship between the four SN53 wallets, or a custody arrangement explaining the sequence.
- Any explanation at all of the nine subnet pattern.

FlowSniper Research operates its own Bittensor mainnet node. Every figure that can be cross-checked against live chain state is. Methodology, data sources and limitations are published with each report.

This report is not financial advice, and it is not an audit. It is a reading of publicly available on-chain data over a defined window, taken at a point in time. Data being public does not make our interpretation of it correct. We are not auditors, lawyers, accountants or licensed advisers and claim no expertise beyond running a node and reading what it returns. Figures may be incomplete, out of date or wrong. Nothing here establishes the intent, conduct or character of any person or organisation.

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