

Cold Wallets - What are they and how to use them?

Cold wallets or so called hardware wallets are ideal for the safe storage of cryptocurrencies and NFTs.

These offer you the best possible security and are very difficult to hack.

A cold wallet is similar to a USB stick and is designed to protect cryptocurrencies and NFTs by securing them with a private key. With a hot wallet, online storage takes place, with a cold wallet your private key is isolated and your values are on the stick. Hackers have almost no chance of accessing it here.

How do you use cold wallets now?

1. Buy a cold wallet
2. Frequently used cold wallets are from Trezor or Ledger. You can easily order these online. Attention: Only buy from official shops - there are also many fake products here - if you use them, there is a risk of total loss
3. Setup of the wallet
Set up your wallet according to the instructions (see also example video setup "Ledger" Cold Wallet)
4. You should write down your pin and your recovery phrase (also known as seed phrase) on paper or preferably on metal (because it is non-flammable) or keep them in a safe. Keep your PIN, recovery phrase and wallet separate from each other.
5. Set up the individual coins in your wallet. Attention: Not every wallet can manage every coin. Find out beforehand on the Internet which wallet can manage which coin.
6. Cold wallet providers usually have their own app, such as ledger live. Download the app and set up the app
7. Start sending and receiving NFTs and cryptocurrencies
Find the address you want to send or receive cryptocurrencies or NFTs to. Important: Always check with a small amount whether it arrives before you send large amounts

You can find an example of installing a cold wallet in the video "Ledger X Installation"