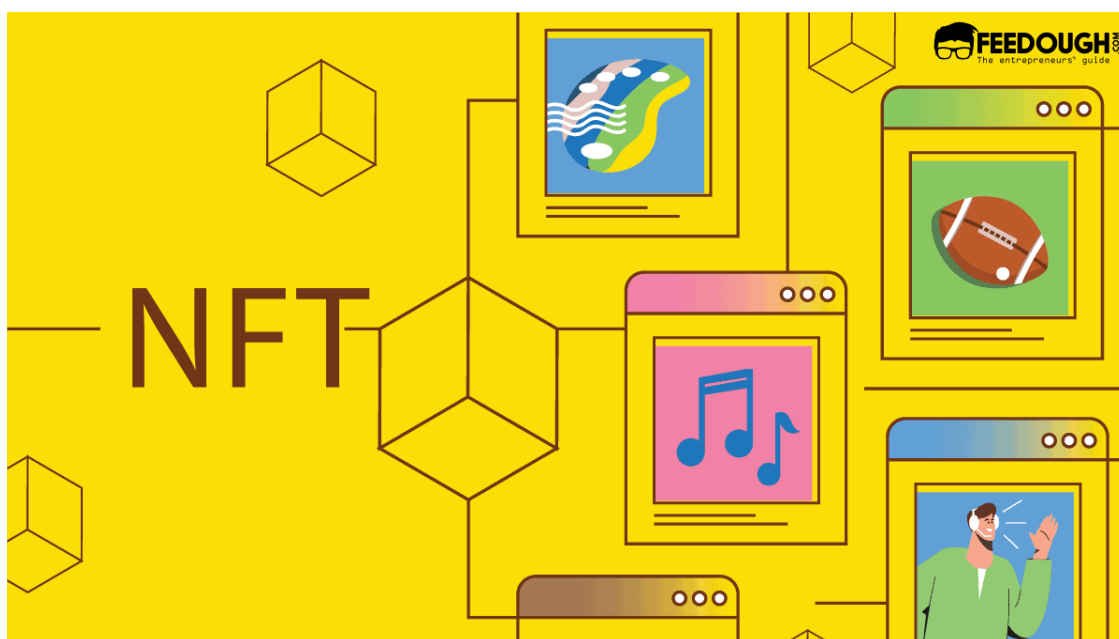


# NFTs

## What are NFTs?

1. NFT stands for Non Fungible Tokens.
2. NFTs are digital tokens that are based on the Ethereum blockchain.
3. It is a digital asset that represents real-world objects like art, music, in-game items and videos.
4. Each NFT has a digital signature that makes it impossible for NFTs to be exchanged for or equal to one another (hence, non-fungible).
5. NFTs also get exclusive ownership rights, i.e. NFTs can have only one owner at a time.
6. NFTs' unique data makes it easy to verify their ownership and transfer tokens between owners.
7. The owner or creator can also store specific information inside them.
8. They are bought and sold online, frequently with cryptocurrency.



## Tokens vs NFTs

Parameter	Tokens	NFTs
Value Transfer	Value transfer depends on the number of tokens in the ownership of a person.	The value of the unique asset represented by NFT is helpful in their value transfer.
Divisibility	Fungible tokens can be divided	NFTs are not divisible and

Parameter	Tokens	NFTs
	into smaller parts and the smaller parts can help in paying off the larger sums.	have their value as a whole entity.
<b>Interchangeability</b>	Fungible tokens are easily interchangeable.	Non-fungible tokens are not interchangeable as each of them represents unique assets.

## Working of NFTs

1. NFTs are a part of the Ethereum ecosystem. While other blockchains can implement NFTs on their blockchain, most are part of the Ethereum blockchain.
2. NFTs can be a collectible item or a work of art.
3. No two NFTs are the same, and that is what gives those items value.
4. NFTs create a digital certificate of ownership for digital assets, which can then be bought or sold.
5. The blockchain makes a record of the creator or the owner of the NFT, ensuring that the information of who owns the NFT cannot be altered in any way, giving complete ownership of the digital asset to the individual.
6. Smart contracts allow details of the owner of the NFT to be added, proving the digital ownership of an asset.
7. Blockchain technology ensures that ownership of the NFT is assigned, and smart contracts ensure that the owner gets a cut out of every future sale of the token.

## Where can NFTs be sold or bought?

1. In order to browse, buy, sell or create an own NFT, one must visit an NFT marketplace.
2. One of the largest NFT market place is **OpenSea**.
3. Opensea is a decentralised, peer-to-peer exchange platform that enables users to transact with one another directly in a trustless manner.
4. It allows users to create individual NFT or NFT collections, set fees on their tokens, and create auctions to sell them.
5. Transactions on OpenSea are atomic transactions, i.e. either happen as a whole (the buyer gets the NFT and the seller gets paid) or not at all.
6. The steps involved in buying and selling of NFTs using openSea are mention here -  
<https://support.opensea.io/hc/en-us/articles/5183126109715-How-can-I-transfer-an-NFT-using-OpenSea->