



EVERYTHING YOU NEED TO KNOW ABOUT NFTS

WITH MEL SHAPCOTT | **CLASS 1**

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WELCOME

Welcome to Everything You Need to Know About NFTs! It's my absolute honor to be a part of your NFT journey. The opportunities emerging are immense and this course will position you to succeed in this rapidly evolving space. I am here to support you through this! Please reach out if you have questions or need guidance at any time.

Connect with me here: <https://bit.ly/NFTconnect>

Let's get started!

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BLOCKCHAIN BASICS

A blockchain is a distributed database that stores information electronically in a way that guarantees the accuracy and fidelity of the record. While blockchain technology is best known for its role in enabling cryptocurrencies like Bitcoin, it is also what enables the exchange of nonfungible tokens or NFTs. Every blockchain has its pros and cons and I recommend that you start by evaluating your choices.

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Select the blockchain that is right for your needs by considering the following: cost, speed, security, longevity, audience, and environmental impact.



OTHERS
Cardano
Vechain
Binance

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CHOOSING A WALLET

In order to transact on the blockchain you will need a crypto wallet and there are several options to choose from. Hot wallets are popular when transacting with NFT marketplaces, offering a quick and simple option to buy and sell NFTs with crypto, while cold wallets are deemed more secure.

1). **Hot wallets** come in several forms: browser extensions, desktop apps, and mobile apps. However, it is not wise to store large amounts of crypto in a hot wallet because they are vulnerable to hacks and scams.

2). A **cold wallet** is a physical hardware wallet and is considered very secure. Transactions can only be made by manually interacting with a physical device which eliminates vulnerability to hackers, but makes it cumbersome to use.

3). An **NFT Vault** is a hardware wallet that only connects to another cold wallet. There are never any sales transactions made with this wallet, or interactions of any kind, other than to transfer assets in and out.

HOT WALLETS

- [Metamask](#) (ETH)
- [Rainbow](#) (ETH)
- [Phantom](#) (SOL)
- [Solflare](#) (SOL)
- [Temple](#) (XTZ)
- [Kukai](#) (XTZ)

COLD WALLETS

- [Ledger Nano](#)
- [Trezor](#)



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If you are an NFT artist, keep in mind that when you mint artwork using your wallet it will be associated with that wallet address permanently. Therefore, if your goal is to create a unified portfolio, it is advisable to pick one wallet and stick with it.

ADDING FUNDS TO YOUR WALLET

Generally speaking the least expensive way to fund your wallet is by connecting your bank account to a crypto exchange. Once you've purchased crypto on the exchange it can be sent to your wallet. You can also use a credit card to fund some wallets depending on your location.

TRANSFER FROM AN EXCHANGE

- Coinbase
- Crypto.com
- Kucoin

DIRECTLY ON THE WALLET

- Credit / Debit Card
- Apple Pay

Please make sure to send your crypto and NFTs to compatible wallets or else they will be lost!

KEEPING YOUR WALLET SAFE

When setting up a wallet you will be prompted to select a password and record a seed phrase. The seed phrase is simply a string of words that grants access to a wallet and can be used to regain access if your password is lost. Likewise, if you misplace your hardware wallet, you will need the seed phrase to restore access your assets.

No matter what type of wallet you choose, it is important to take measures to store your passwords and seed phrases safely. Ideally, these should be stored in a non-digital format, such as written with pen and paper and then secured in a fire proof box or safe deposit box.

Last but not least, consider using your hot wallet for transacting regularly and make a habit of transferring your NFTs and crypto to a hardware wallet for safe keeping.



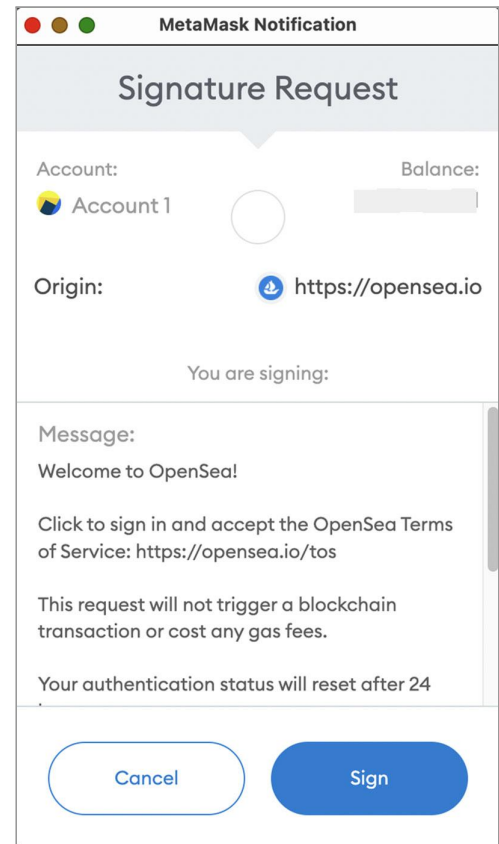
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TRANSACTIONS

Once you have a wallet set up you can connect it to marketplaces for buying and selling NFTs. Before any transaction is initiated you will be prompted to ‘Sign a Message’ to confirm the activity. From there, be patient. Some blockchains are slower than others and you may have to wait a few minutes for your transaction to fully process. Avoid making a lot of transactions all at once, and let each transaction clear before proceeding. Check the status of the transaction by navigating to your wallet and viewing the recent activity.

UNDERSTANDING GAS

When a transaction is processed on the blockchain whether it is a transfer, a swap, a sale, or NFT listing, a fee is charged called “gas.” The fee can range from as low as a few cents to a few hundred dollars depending on a number of factors. This includes whether the blockchain is proof-of-work or proof-of-stake, which is the most significant indicator of how much you can expect to pay in gas. For proof-of-work blockchains such as Ethereum, the price of gas increases with network congestion attributed to time of day, world news, crypto markets, NFT markets, and ongoing blockchain development.



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TRANSACTIONS THAT REQUIRE GAS:

- minting artwork via an NFT marketplace
- listing artwork on an NFT marketplace
- settling an auction to release funds
- sending an NFT to someone else
- burning an NFT to remove it from the blockchain
- transferring ETH from one wallet to another
- trading ETH for another cryptocurrency
- buying NFTs
- initiating a wallet

ETHEREUM GAS TRACKERS:

<https://etherscan.io/gastracker>

<https://ethereumprice.org/gas/>

PROBLEMS YOU MAY HAVE

When you first connect your wallet to an NFT marketplace you will typically be asked to 'Sign a Message.' If you are having trouble locating the message look for a pop up window, making sure that it is not obscured behind another browser window.

If you have submitted a transaction and it continues to display the 'pending' status in your wallet, it is possible that your transaction is stuck due to insufficient gas. When you sign a transaction a max gas fee is assigned, if the price of gas rises thereafter then you may not have allocated enough funds to cover the minimum gas fee. You can wait for 24 hours to see if the transaction clears as gas prices fluctuate. If you are short on time you can 'speed up' the transaction by paying an additional fee.

If there is a lot of competition for a particular NFT or NFT project then it is also possible that you will have paid a gas fee and not received anything in return due to the finite quantity of NFTs available.



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HARDWARE & DEVICES

You may be surprised, but you don't need a lot of fancy tech to get into NFTs! No matter what devices you have, they are probably good enough to get started.

❖ Smart Phones

You can manage your NFTs and crypto with only a smart phone. With a smart phone you can connect to NFT marketplaces, crypto wallets, as well as exchanges. However I do urge you to use caution, as phone apps may not be as secure as a laptop or desktop browser. Set up 2-Factor Authentication or use Google Authenticator wherever possible.

Smart phones also have numerous apps for NFT artists. Many of these are free, which I would recommend trying first! Don't be afraid to discover a new way of making art, the NFT space is a great place to experiment.

You will likely use your phone to access the NFT community through your social media accounts and also for communicating internationally. The following communication apps will work on your phone and can be synced with your other devices: Discord, Telegram, Whatsapp, Zoom.

Some virtual spaces can even be accessed by smart phone.

❖ Drawing Tablets

Tablets are a common tool for many digital illustrators. Use the following article as a spring board for researching different types of tablets and finding the one that would be best suited to



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your needs. Keep in mind some tablets will require an external display, while others have an integrated screen on which you can draw directly with a stylus.

The Best Drawing Tablets of 2022:

<https://www.creativeblog.com/features/best-drawing-tablet>

❖ Laptop or Desktop

If you want to spend any significant amount of time in the metaverse then you will need what is referred to as a gaming computer. These have plenty of RAM, decent storage capacity, and a fast processor, more so than your basic laptop. A higher resolution screen will enhance your experience. If you are an Apple user, devices with the M1 chip should work relatively well, however gaming setups are typically engineered to be more powerful.

If you plan to dabble in VR, then you will need a “VR-ready” laptop. A VR-ready laptop has the power to run the graphics and processing requirements of a VR headset, such as an Oculus Quest 2, while tethered.

Best Laptop for Gaming in 2022:

<https://www.creativeblog.com/buying-guides/best-gaming-laptops>

SOFTWARE & APPS

For NFT artists, there are an unlimited number of applications to choose from. First and foremost make sure the software is compatible with your device.

I've included a link below to a list of software for digital artists. Affinity Photo, a new alternative to the most popular photo editing software Photoshop, receives positive reviews. It combines



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both vector and pixel capabilities into the same workspace. Photopea is another alternative that is browser based and completely free to use.

Best Software for Digital Artists:

<https://www.creativeblog.com/advice/the-best-software-for-digital-artists>

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ADDITIONAL READING

Six Things to Know About Gas:

https://www.linkedin.com/posts/melshapcott_nfts-nft-ethereum-activity-6912783926776242176-vMXc?utm_source=linkedin_share&utm_medium=member_desktop_web

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HOMEWORK

Research and select the blockchain where you plan to collect and create NFTs.

Setup the corresponding wallet and add funds.

Secure your passwords and seed phrases.

