

Non-Fungible Tokens (NFTs): Understanding the Basics and Legal Issues

May 26, 2022

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NFT Trading Volume

According to Forbes, the NFT market generated over **\$23 billion** in trading volume in 2021.



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AGENDA

- NFT Definitions
- Legal Issues
- Regulators
- Takeaway

NFT Definitions

What are NFTs?

- NFT = Non-Fungible token
 - In economics, “fungible” is a term used for things that can be exchanged for other things of exactly the same kind. But most objects in the physical world, such as cars and houses, are non-fungible, meaning they have unique qualities and you can’t just exchange them for others of the same type.
- NFT: unique digital asset
- The relationship between NFTs and cryptocurrencies
- Why do NFTs have value?

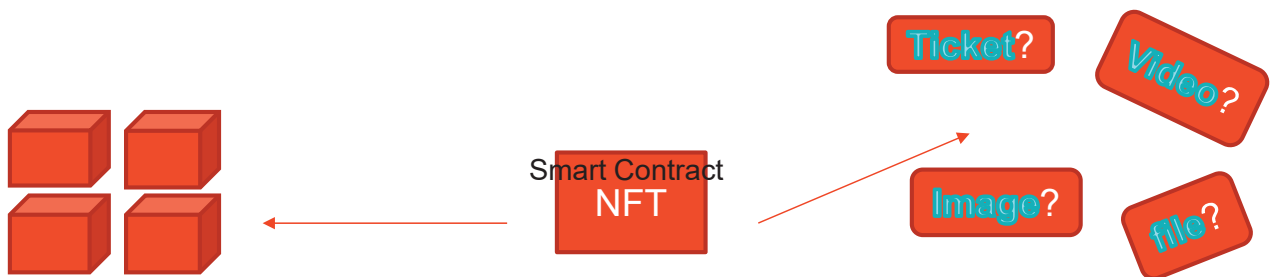
What are NFTs?

A **unique token** linked to an asset (digital or physical)

Creation, sale and resale occur on blockchain and can be monetized

Blockchain - open, an immutable record, accretive

Like a certificate of authenticity/ownership



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First appeared as part of the conference materials for the
35th Annual Technology Law Conference session
"Non-Fungible Tokens (NFTs): Understanding the Basics and Legal Issues"