

NFTs

Parent Guide — All you need to know about the cryptocurrency trend

What exactly are they?

You may have heard of **NFTs** (or ‘**non-fungible tokens**’) lately – they’ve been in the news a lot, with some being **sold for millions of pounds**. But you may be confused about what they are and why they’re being talked about.

NFTs are a **complicated concept**, but hopefully this guide will shed some light.

Why are they popular?

NFTs are popular because they are **unique pieces of data**. Non-fungible just means that **the identifying data can’t be replaced**.

When you own an NFT of, for example, a picture, you **don’t own the picture, but you do own the data that identifies it**.

NFTs are like **collectible items**, only **digital**. Owning an NFT is a big **status symbol** in a lot of internet cultures.

Some are also conceptually interesting **art pieces**, whilst others have a **practical use**. For example, some **gaming companies** are introducing **NFTs as characters you play** within a certain game.

What are the risks?

Most NFT platforms are **18+**, but there are still **loopholes** children could use. Make sure you’re **aware of the possible risks**.

There are lots of **scams** around NFTs. Once someone has invested, the scammer will transfer the **cryptocurrency** they received into **regular currency** and delete any buyer-facing sites or profiles.

As with anything **cryptocurrency-related**, the **value** of an NFT can **fluctuate hugely**.

Lots of NFTs involve joining **exclusive online communities**. These spaces are not suitable for children.

What else should I do?

NFTs are an **interesting development** in internet culture and many children are understandably enthusiastic.

However, if they are interested in **making or buying NFTs**, talk to them honestly about the risks involved.

Make sure that you **don’t have any card details saved on your devices** that your child could use to open a cryptocurrency wallet or buy an NFT.

As always, make sure that your child **feels comfortable** coming to you if they think they’ve been a **victim of a scam** or are worried that they may have **lost money**.