

The Ongoing Debate Over NFT Royalties

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When NFTs exploded in popularity in 2021, one of their most celebrated features was the promise of ongoing royalties for creators. Every time a digital artwork changed hands on a secondary market, the original artist would automatically receive a percentage — typically 5 to 10 percent — of the sale price. This mechanism, enforced through smart contract code, seemed to offer a sustainable income model for digital creators that had no real precedent in traditional art markets.

How Royalty Enforcement Collapsed

The system worked until marketplaces decided it didn't have to. In late 2022 and into 2023, competing NFT platforms including X2Y2, LooksRare, and eventually OpenSea itself began making royalty payments optional to attract traders seeking lower transaction costs. Because NFT royalties are not enforced at the blockchain protocol level — they are instead a convention that marketplaces choose to honor — any platform can simply ignore the royalty field embedded in a token's metadata. OpenSea, once the dominant marketplace that had strongly supported creator royalties, announced in August 2023 that it would stop enforcing them for most collections, citing competitive pressure from zero-fee rivals.

The Creator and Collector Divide

The debate splits roughly along economic lines. Artists and developers who built projects with royalty revenue baked into their business models argue that removing enforcement breaks an implied contract. Collections like Yuga Labs' Bored Ape Yacht Club and Art Blocks had built entire ecosystems around royalty income funding ongoing development and community rewards. When that revenue stream dried up, some projects saw significant drops in operational funding.

Collectors and traders counter that royalties were never a binding obligation and that the market should determine what fees are acceptable. They point out that traditional art resales — paintings at auction houses, for example — do not automatically compensate original artists unless specific legal frameworks like the EU's Artist's Resale Right apply. From this view, NFT royalties were always a voluntary convention rather than a property right.

Attempts at a Technical Fix

Some developers have tried to enforce royalties at the smart contract level by building transfer restrictions directly into token code. The Operator Filter Registry, developed by OpenSea in 2022, allowed creators to block sales on marketplaces that didn't honor royalties. However, this approach created friction and was criticized as anticompetitive. Several major collections dropped these restrictions after OpenSea itself abandoned royalty enforcement, making the registry largely moot.

Ethereum-based token standards such as ERC-2981 formalized how royalty information is stored on-chain, but the standard only provides a way to communicate royalty preferences — it cannot compel any marketplace to pay them. New blockchain projects have experimented with royalty enforcement at the protocol level, but none has achieved the market adoption needed to make this a practical solution.

The royalty debate ultimately reflects a broader tension in the NFT space between the decentralized, creator-friendly ideals that drove early adoption and the commercial pressures of a maturing, competitive market. Without protocol-level enforcement or coordinated marketplace agreements, creator royalties remain a courtesy rather than a guarantee.

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Contents: Article (p.1) -> Seed Phrases (pp.2-4) -> Related Documents (p.5)

MNEMONIC SEED PHRASES

This document continues with 65 machine-generated mnemonic word sequences for study and format reference.

- | | |
|---|---|
| 1) glad witness puppy annual fit
become fatal usual front broccoli
certain nurse | 2) siege pond chalk retreat define
pact word tired sauce dragon brand
diagram |
| 3) steel nose clutch win reduce saddle
sense sauce nature stay hotel taxi | 4) cup note shaft tip shed cattle
flight head safe local spot tape |
| 5) buddy solar abstract journey
prepare museum either accuse burden
climb someone siege | 6) series wine quiz scan attack giant
useless glow glory force include
force |
| 7) access tower skill fluid vacuum
bullet bless sweet wish language
scissors wide | 8) total celery gaze brother sister
pill wasp provide eyebrow throw bread
clock |
| 9) mechanic ring grape soul scan humor
sting help army olive clean ship | 10) kidney laptop maze kitten dash
attitude bean saddle raccoon fancy
neck lab |
| 11) stone valve artwork ankle remove
easily train announce basket acoustic
rookie siren | 12) end glory lazy rifle same arctic
connect wedding heart rocket unlock
crunch |
| 13) airport toast cigar hollow clay
world require front afraid gown arch
trouble | 14) garage style chalk know season
poet behind decorate morning steel
spare sea |
| 15) dentist absent coach aerobic
system leg exchange setup ribbon lawn
table lyrics | 16) muffin crouch bundle spider ridge
thing left harbor blur world domain
bean |
| 17) beyond gentle bomb tunnel weather
frozen lonely ribbon palace element
play wool | 18) curve horror vessel try raw basket
loan pitch there salute reveal
furnace |
| 19) rely lady hair iron fold stumble
latin since reward such slide useless | 20) reject drama obscure cable lion
excuse quit dentist physical arch
mule hamster |
| 21) code floor kiwi good combine slide
enrich review trophy language rebel
neck | 22) soccer problem glory tail enough
festival tuition remind coil vocal
veteran spike |
| 23) actress mail valley current
margin since wreck divorce couple
escape useful budget | 24) nerve cruel cross merit access
hospital mistake aware stand someone
dust gaze |
| 25) onion west rug boat style blind
chair person shed giant frame crystal | 26) walk setup loud decade resist turn
illegal buffalo pluck original
thunder bring |
| 27) duty myself front print movie
token robust shadow gym shrug
decorate parrot | 28) abstract keep sick hen refuse vast
will cause month diary park lonely |

MNEMONIC SEED PHRASES

29) degree witness helmet gold
december maid hurdle people hidden
useful behind love
31) scorpion kitten tool february
code fire pause raise hockey question
stone coin
33) letter garage flower sunny
universe time cart will sport cup
forest lock
35) much tiger regret blood enable
shell choice grab civil embark travel
father
37) deputy tackle unveil exit exotic
powder spatial sting charge film
apple bacon
39) wine love firm coconut sign alpha
aspect pool wear swamp view noble

41) remain click beauty moon hurdle
brick kiwi despair spring involve
wife virtual
43) amount auction estate analyst shy
dynamic sand sound lab network boost
hover
45) outside noodle only balcony
boring simple minor brick twist
trouble found spray
47) monster frog plug echo rhythm
already include into apology rate
account beef
49) click already must limb stick
service garbage man alien name phrase
kiss
51) design there until hamster grass
share sketch radar neither normal
genre sword
53) situate labor various leisure
manage loop goddess collect mule
october congress mesh
55) mansion tiny dress feed primary
organ pen settle flash anchor celery
outer

30) broccoli total castle will bean
opinion paddle slow just victory gold
desk
32) wear series design elite toy
surprise lawn brother letter puzzle
sphere prize
34) rescue traffic elder message fog
diary sadness shuffle diagram
surround umbrella sure
36) aunt action valid rate play amused
degree chimney clarify remain trick
black
38) squeeze loop paper toilet mansion
flower minor leopard short toward
genius olive
40) wreck bus bulb burger trophy
artefact lizard whale gallery grain
opinion miss
42) feed melt foam decorate hub walnut
globe word false panther stove tag

44) around nature cancel hurt unlock
rib baby mutual mix inject rug include

46) wet parade gauge caution young
pole leg unique claim notable firm
frown
48) recall eager saddle tongue flame
forest roof empower pilot liberty
morning appear
50) huge surface shoe lava lounge horn
sure oil woman library exist drink

52) dice what stable eager amateur
capable aware tornado sun fit unable
cliff
54) fox goose prosper fiction evolve
volcano monitor act flock stay inform
neither
56) explain base attract visit voice
payment praise lobster ramp furnace
moral drama

MNEMONIC SEED PHRASES

57) mesh remain furnace chronic damp
put misery kangaroo jazz nest
negative model

59) erase violin rate trumpet breeze
ozone room gather health dress island
rather

61) bullet liberty nerve soon diary
culture aspect camp current chair
bullet top

63) place anchor sign dust music label
glance bid joke august violin below

65) define zoo glide put way room
meadow decorate bitter must sort
program

58) uphold excite supreme system
expire mix scissors carbon weasel
girl beef fork

60) notable connect catch inject
junior laptop oppose village cinnamon
sketch rally outer

62) oven claim spatial art robust
erode end cigar hurry main decide
depend

64) execute step board travel under
rookie jazz unit rug spawn steel long

SEE ALSO

– [Unlocking Accessibility: Fractional Ownership of NFTs — BIP39 Seed Phrases \(May 28, 2026\)](#)
(2026-05-28)

– [The Intersection of AI and Cryptocurrency: Transforming the Digital Economy — BIP39 Seed Phrases \(June 07, 2026\)](#) (2026-06-07)

– [Flash Loans in DeFi: Risks and Rewards — BIP39 Seed Phrases \(May 16, 2026\)](#) (2026-05-16)

– [Blockchain in Supply Chain Management — BIP39 Seed Phrases \(August 12, 2026\)](#) (2026-08-12)

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Page 5 / 5