

THE GOOD GAME INSURANCE GUIDE:

(2024 EDITION)



Relevant Types of Insurance for the Games Industry...

Professional Indemnity, aka Errors & Omissions (E&O)

Covers Breach of contracts and associated legal costs, copyright, trademark and cyber liability. Many of your key B2B liabilities.

Cyber Insurance

1st party cyber = your direct losses
3rd party cyber = your liability to other companies (often included in PI/E&O)

Intellectual Property Insurance

Covers Copyright, Trademarks, Patents & Trade Secrets.
Plus, issues around chain-of-title.

General Liability Insurance

Generally focused on liability to the public and injuries. Relevant for VR, AR, fitness games and events, but a common contractual requirement.

Directors & Officers

Covers the *personal liability* of senior people.

Key Person

Cover the business losses in the event of a key person being incapacitated. For example, a project is delayed.

Mergers & Acquisitions

Insurance to bridge the uncertainty gap in transactions.

Contingency

When you are aware of a potential problem (usually therefore uninsurable) but nothing has actually happened yet.

Performance Bonds

Insurance on the guaranteed delivery of a project

Equipment Cover

Dev Kits, MoCap, Film Equipment etc, is often not adequately covered by traditional contents insurance. Check you have adequate cover if you have specialised kit...

What makes it "Game" Insurance?

Most insurers do not understand the industry and therefore will not offer cover to games companies or (even worse) do not understand it and sell useless policies.

So while the insurance products available are well established, the key is making sure that the insurers are aware of your activities, are happy and on-board with what you are doing as a business, and the underlying coverage and policy wording are appropriate for your activities.

Emerging Risks For 2024:

Artificial Intelligence

Copyright issues around media generation, but also potential data privacy and contract breaches.

COPPA - Children's Online Privacy Protection Act

Video game companies, even those not based in California, should pay attention to these regulations because they apply to any business that serves California residents. Non-compliance can lead to hefty fines.

What should I prioritise?

Generally Professional Indemnity is a good starting point and build from there.

Where to get it from?

Ideally a broker or insurer that has some experience in the sector, so they can give proper support and advice on an ongoing basis. Insurance shouldn't just be a bit of paper that sits in a drawer, but a proactive step you take as a business to prevent a "business-killer" situation.

When to get it?

We suggest engaging with insurers early, even just so you can become aware of your potential risks that you may not have considered. But then only buy it if you are comfortable with the cost.

How much does it cost?

This could be as little as £500 to over £100k per year. It depends on the risk to insurers and the size of your company.

Do I need to get it?

If you are legally or contractually obligated to get it, then yes. But remember insurance is not there to shield you from a problem, it's a safety net.

Territorial Limits = Where you can work

Jurisdictional Limits = Where you can be sued

Watch out for policies that are sold as "worldwide cover" as this might only be referring to the territorial limit, if you were sued in a US court, without a Jurisdictional limit that includes USA/Canada, you wouldn't be covered. This generally costs extra but is definitely worth checking if you have that exposure! Especially with new COPPA regs.

What about Claims?

Talk to your insurer/broker as soon as something happens. Even if it is still very early. They can guide you through the process and may help you mitigate the loss (it's in the insurers interest to go into damage control). If you leave it too late or try and deal with it all yourself and come to insurers after-the-fact you may get a worse result.

Always be transparent with issues too. If you are taking out a new policy, tell insurers if there is anything you are concerned with. If it turns out you knew about a problem beforehand and didn't declare it and tried to claim later, you can't expect an insurer to then cover an issue you withheld from them.

Who we work with:

- **Game Developers**
- **Game Consultants & Services (non-financial)**
- **Game Publishers**
- **Contractors & Work for Hire Studios**
- **Film & Media Publishing**
- **Film & Media Production**
- **Gambling Game Developers**
- **Physical Game Developers & Tabletop**
- **Blockchain, including NFT games**
- *This list keeps growing, if you are not on it, ask us!*

Where: UK, EU, USA directly, other places via local brokers

Who are GG Insurance Services?

Market leading protection for the games industry since 2018 with access to exclusive products and the world's best insurance providers.

We are driving change within the industry itself and are educating key stakeholders on what risks they should be aware of, how to better protect against them and how insurance can provide a solution that protects both parties in a relationship.

Our passion for the industry runs deep, and we are always willing to go the extra mile to help.

Tip...! Multi Company Structures:

If you have a group structure, you can often simply insure the holding company, and then all subsidiaries are also covered. This can potentially save a lot of hassle (and cost!)

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