

**International Insolvency Institute  
North American Regional Conference  
January 15-16, 2025  
Chicago, IL**

**Title:** Global Perspectives: How Courts are Dealing with Artificial Intelligence in Insolvency Proceedings

**Time:** January 16, 2025 from 11:30 a.m. to 12:30 p.m.

**Location:** Kirkland & Ellis LLP  
333 West Wolf Point Plaza  
Chicago, IL 60654

**Panelists:** Hon. Lisa Beckerman (U.S. Bankruptcy Court, USA)  
Chief Justice Geoffrey Morawetz (Ontario Superior Court of Justice, Canada)  
Hon. Sean Lane (U.S. Bankruptcy Court, USA)  
Liz Downing (Skadden, Arps, Slate, Meagher & Flom LLP, USA) (Moderator)

**Panel 6 Outline:**

**Introduction (3 minutes)**

• **Moderator's Opening Remarks:**

- "Good morning, everyone. Welcome to our panel discussion on the impact of artificial intelligence on insolvency proceedings. My name is Liz Downing, and I am honored to be moderating this distinguished panel today."
- "We are privileged to have with us three esteemed panelists: Judge Beckerman and Judge Lane from the Southern District of New York Bankruptcy Court, and Chief Justice Morawetz from the Ontario Superior Court of Justice. Each of them brings a wealth of experience and unique perspectives on the integration of AI in insolvency proceedings."
- "I note at the outset that nothing our panelists says today should be taken to forecast how they may rule should they confront similar legal issues in the future. Nothing they say may be construed as binding them to any legal position or commentary on the direction their courts may take in the future. And of course, nothing said here should ever be cited back to them in court."
- "Today's discussion will be structured into two parts. We will begin by exploring the use of AI by the judiciary, followed by a deeper dive into how AI is being utilized by practitioners and experts in the bankruptcy field. Throughout, we will also address the benefits and potential pitfalls of AI as well as some of the ethical considerations."
- "We aim to provide a comprehensive and engaging discussion, and I encourage you to think of questions you may have for our panelists, as we will have a Q&A session towards the end."

## Section 1: Use of AI by the Judiciary (20 minutes)

- **Moderator's Introduction:**
  - "To start, let's discuss the growing interest in AI within the judiciary."
  - Brief introduction to Judge Newsom's concurring decision in *Snell vs. United Specialty Insurance Company*, 102 F.4th 1208 (11<sup>th</sup> Cir. 2024).
  
- **Suggested Questions for Panelists:**
  - **To Judge Beckerman:** "Judge Beckerman, can you share your experiences or observations on how AI is currently being utilized within the SDNY bankruptcy court or ways it may be used in the future?"
    - **Response:** Consider discussing AI tools that could be used for case management or predictive analytics as well as any other points you wish to highlight.
    - **Suggested resources:**
      1. *Snell vs. United Specialty Insurance Company*, 102 F.4th 1208 (11<sup>th</sup> Cir. 2024)
      2. *Having Your Day in Robot Court*; *Harvard Journal of Law & Technology*
  
  - **To Justice Morawetz:** "Justice Morawetz, how has the Canadian judiciary approached the integration of AI in bankruptcy proceedings thus far and where do you see opportunities for its use in the near term?"
    - **Response:** Consider highlighting pilot programs and AI tools being implemented in Canadian courts and any other ways in which you see it being useful in your court or more broadly.
    - **Suggested resources:**
      1. *From Estonian AI judges to robot mediators in Canada, U.K.*; *LexisNexis Canada*
      2. *Having Your Day in Robot Court*; *Harvard Journal of Law & Technology*
  
  - **To Judge Lane:** "Some commentators have suggested that AI may be a tool that can be used to assist in bringing parties to a mediated solution and in fact already has been used in some jurisdictions for this purpose. Judge Lane, what if any types of cases do you see benefitting from this method of dispute resolution?"
    - **Response:** Consider discussing use in smaller claims value disputes and/or hesitancy to adopt—e.g., for AI judges versus human judges, participants in studies still perceive human judges to be more fair.
    - **Suggested resources:**
      1. *Your Honor, AI*; *Harvard International Review*
      2. *Having Your Day in Robot Court*; *Harvard Journal of Law & Technology*

## Section 2: Use of AI by Practitioners and Experts (25 minutes)

- **Moderator's Introduction:**
  - "Now, let's transition to the use of AI by bankruptcy practitioners and experts. Practitioners are leveraging AI for tasks such as legal research, document review, and even drafting legal documents."

- "The potential benefits of AI in legal practice are substantial. AI can increase efficiency, reduce costs, and improve the accuracy of legal work. However, there are also challenges and risks associated with AI, such as the potential for over-reliance on technology and ethical concerns."
- **Suggested Questions for Panelists:**
  - **To Judge Beckerman:** "Judge Beckerman, what do you see as the appropriate role of AI for practitioners sitting here today?"
    - **Response:** Consider introducing the ABA Formal Opinion 512 on Generative Artificial Intelligence Tools here and some of the guardrails it suggests need to be put in place.
    - **Suggested resources:**
      1. *Generative AI in Bankruptcy Practice Overview; Practical Law*
      2. *ABA Formal Opinion 512, Generative Artificial Intelligence Tools*
  - **To Judge Lane:** "Judge Lane, how concerned are you about hallucinations in filings with the Court?"
    - **Response:** Discuss the importance of human oversight and the potential risks of AI-generated errors. Consider elaborating on the risk being lower in adversarial system where opposing counsel or Chambers will find, e.g., a hallucinated case cite but greater degree of concern with expert reports. Consider touching on the *Celsius* decision.
    - **Suggested resources:**
      1. *Generative AI in Bankruptcy Practice Overview; Practical Law*
      2. *In re Celsius Network LLC, 655 B.R. 301 (Bankr. S.D.N.Y. 2023)*
      3. *ABA Formal Opinion 512, Generative Artificial Intelligence Tools*
  - **To Justice Morawetz:** "Justice Morawetz, do you think courts are responsible for putting guardrails on the use of AI by practitioners?"
    - **Response:** Consider addressing rules or procedures that courts have implemented to date and contrasting that with the recommendations put forward by organizations, like the American Bar Association in the United States.
    - **Suggested resources:**
      1. *Generative AI in Bankruptcy Practice Overview; Practical Law*
      2. *ABA Formal Opinion 512, Generative Artificial Intelligence Tools*
      3. *Expert Q & A on Opening the Black Box of Generative AI Explainability in Bankruptcy Cases; Practical Law*

### Q&A Session (10 minutes)

- "We now have some time for questions from the audience. Please feel free to raise your hand, and we will bring a microphone to you."

### Conclusion (2 minutes)

- **Moderator's Closing Remarks**
  - "AI is undoubtedly transforming the legal landscape, and it is crucial for us to continue this dialogue and explore the opportunities and challenges it presents."

- "I want to extend my heartfelt thanks to our panelists, Judge Beckerman, Justice Morawetz, and Judge Lane for sharing their valuable insights and experiences. We also want to thank all of you in the audience for your attention and participation."