



Supreme Court of Nova Scotia

Use of Artificial Intelligence (AI) in Proceedings before the Registrar in Bankruptcy

Friday, Oct. 4, 2024

Counsel, Trustees and other individuals participating in *Bankruptcy and Insolvency Act* (BIA) proceedings before Nova Scotia's Registrar in Bankruptcy are urged to exercise caution when referencing materials derived using artificial intelligence (AI).

Effective immediately, where applicable, the Registrar in Bankruptcy also requires individuals to include a declaration in the first paragraph of their materials stating that artificial intelligence was used, in whole or in part, to generate content in the document, indicate what content, and what AI tools were used.

Counsel and Trustees are reminded that as officers of the Court and regulated licensees, they are responsible for the content, completeness, and accuracy of all material submitted to the Court. The same principle applies to individuals representing themselves in proceedings before the Registrar. Careful review and due diligence prior to submission is expected in all cases.

This guidance is in line with and builds upon the Notice that the Supreme Court of Nova Scotia issued on October 18, 2023. A copy of that Notice is available online [here](#) and is also included below. This guidance should also be read in conjunction with any other Practice Memorandums issued and amended by the Justices of the Supreme Court, or by the Registrar in Bankruptcy.

Counsel, Trustees and other individuals participating in BIA proceedings before the Registrar are asked to consider the following:

1. The rehabilitative objective of the *Bankruptcy and Insolvency Act* remains intact, regardless of how a debtor's estate is administered. A heavily automated consumer-facing process may not always address this objective, particularly where s. 173 factors have or may be engaged; all of the Court's functions remain intact;

2. AI-generated data and reports, including those dealing with income, expenses, or assets (including valuation and realization) that are referenced in BIA proceedings before the Registrar must be based on verifiable sources and accompanied by supporting evidence;
3. Briefs and submissions, particularly those outlining legal arguments, must be based on verifiable sources and accompanied by supportive evidence and/or copies of authorities. Counsel, Trustees and self-represented individuals are responsible for verifying the accuracy of such evidence, submissions, and authorities;
4. As is the case with all material before the Court, participants are reminded that BIA proceedings involve people, not files, and although some issues and calculations may lend themselves to automation, the disposition of the matter does not. Counsel and Trustees must be available and willing to speak to their recommendations, and adherence to Court directions and dispositions. This is especially so if participants anticipate concerns from the Court arising from the circumstances of the file;
5. Counsel or Trustees may be called upon to explain any divergence from this guidance, and the possible consequences, including but not limited to variation of orders and costs.

This Notice is an evolving document and will be amended, supplemented, and revised as technology, regulation, circumstances, stakeholder feedback, legal developments, and experiences mandate.



ENSURING THE INTEGRITY OF COURT SUBMISSIONS WHEN USING GENERATIVE ARTIFICIAL INTELLIGENCE (“AI”)

Wednesday, Oct. 18, 2023

In light of the significant concerns surrounding the potential fabrication of legal authorities through generative artificial intelligence (AI), this Notice addresses the matter of legal references in submissions to the Supreme Court of Nova Scotia. Our joint commitment to reinforcing the integrity and credibility of legal proceedings is critical.

Caution: The Supreme Court urges practitioners and litigants to exercise caution when referencing legal authorities or analysis derived from generative AI in their submissions.

Reliance: For all references to case law, statutes or commentary in representations to this Court, it is essential that parties rely exclusively on authoritative sources such as official court websites, commonly referenced commercial publishers or well-established public services such as CanLII.

“Human in the Loop”: In the interest of maintaining the highest standards of accuracy and authenticity, any AI-generated submissions must be verified with meaningful human control. Verification can be achieved through cross-referencing with reliable legal databases and ensuring that the citations and their content hold up to scrutiny. This accords with the longstanding practice of legal professionals.

The Supreme Court of Nova Scotia recognizes that emerging technologies bring both opportunities and challenges, and the legal community must adapt accordingly. Therefore, we encourage ongoing discussions and collaborations to navigate these complexities effectively.