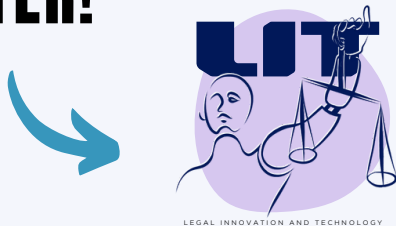




MAR & APR NEWSLETTER

# CHATGPT: YOUR SECRET WEAPON!

## WELCOME TO OUR NEWSLETTER!



We are SMU Legal Innovation & Technology Club (LIT) - a student club that [focuses on the convergence of technology and law!](#) We aim to help students like you better understand the different facets of legal technology.

Other than newsletters like this, we host various events such as hackathons, webinars, Instagram posts, and so on.

## WHAT'S UP THIS TIME?

In this newsletter, we explore the [capabilities and limitations of ChatGPT](#), an AI language model trained by OpenAI.

While ChatGPT has revolutionised the legal research process, we also discuss its [limitations](#), such as the the potential for [biased results](#) and [possible data protection or IP issues](#). Despite these limitations, ChatGPT remains a valuable tool for legal professionals, and its use will likely continue to expand as AI technology advances.



# YES, EVERY LAW STUDENT'S BESTIE. BUT HOW DOES CHATGPT WORK?

## 01 HOW DOES CHATGPT WORK?

GPT-3 is a [large language model \(LLM\)](#), meaning that it can "recognize, summarize, translate, predict and generate text and other content based on knowledge gained from massive datasets".

ChatGPT is able to provide information in response to stimuli such as "Explain quantum computing in simple terms" and is able to [remember](#) what the user said earlier in the conversation, which allows the user to [provide follow-up corrections](#).



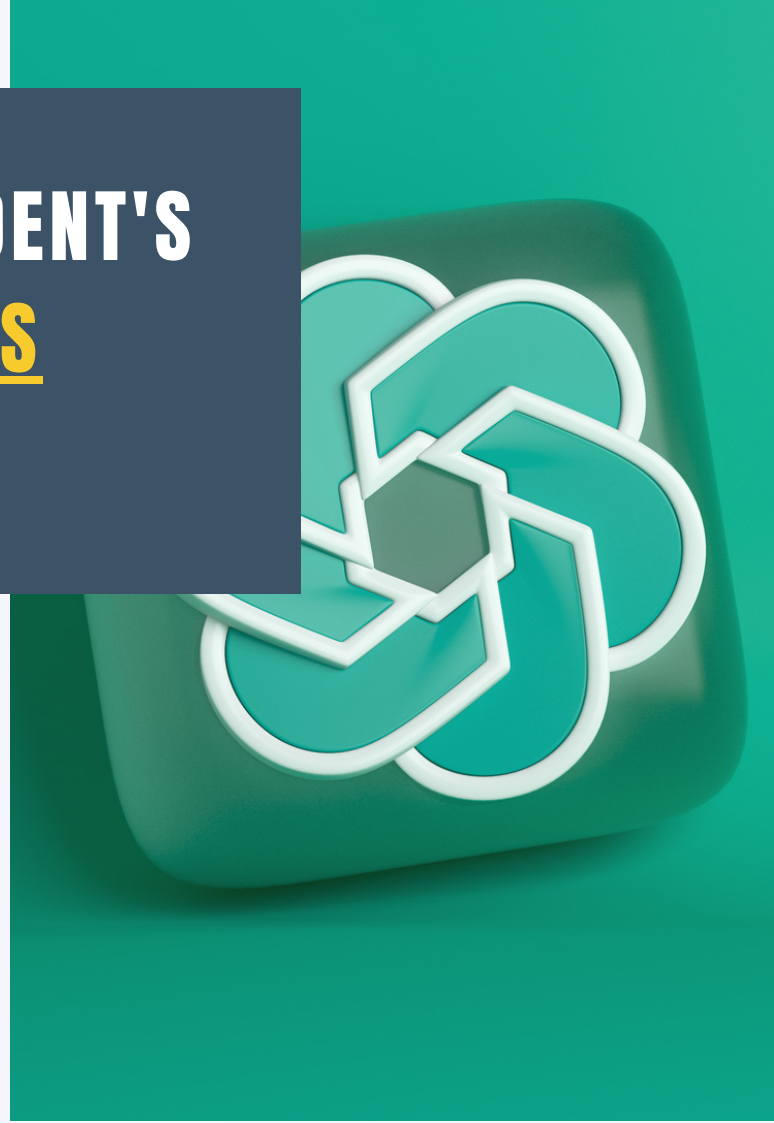
## 02 WITHIN THE LEGAL INDUSTRY...



Fun Fact! We generated this by entering the prompt: "[What are the applications of ChatGPT in the legal industry?](#)"

ChatGPT has the potential of improving the effectiveness of legal services and provide greater access to legal info!

- [Legal research](#): Search through vast amounts of legal data and document to identify relevant information
- [Document review](#): Review and analyze legal documents, such as contracts and agreements, to identify potential issues and errors.
- [Legal drafting](#): Generate initial drafts of legal documents, such as contracts and pleadings.
- [Chatbots for legal services](#): Answer FAQs and provide legal information in a conversational format.
- [Predictive analytics](#): Analyse legal data and to make predictions about legal outcomes (e.g., the likelihood of winning a case in a lawsuit)







## Q3 LIMITATION ONE: CHATGPT BIASED?

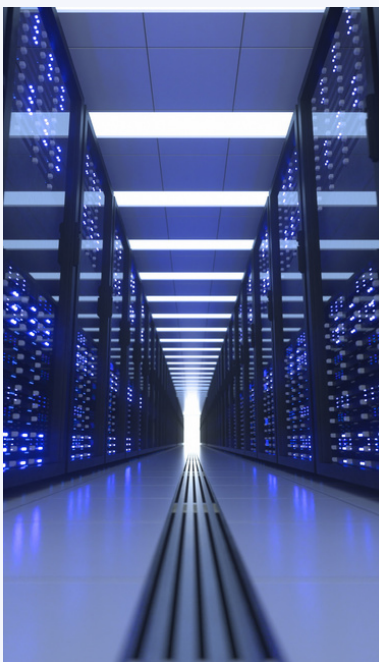
OpenAI has acknowledged that there are biases present in the training process as well as the data. They recognise that trainers of the model tend to have a preference for longer answers as these answers would “look more comprehensive”. As a result, ChatGPT “is often excessively verbose and overuses certain phrases”.



Unfortunately, there have been past cases of how bias in the development process have led to undesirable outcomes.

E.g., An AI recruitment tool developed by Amazon gave a lower rating for resumes which contained “women’s”.

The underlying issue was because the dataset, which was used to train the tool had a majority of the resumes belonging to men.



## Important Takeaways:

At this juncture, it is important to keep in mind that as artificial intelligence technology advances and develops at a rapid rate, though it may bring about benefits to society as a whole, caution has to be taken. As consumers of such technology, we have a part to play too.

Although the ways in which these models are trained and developed are generally not known to the public, we can still spot potential biases from the outputs and usage of these technologies, and report it to the corresponding parties responsible for it.



## So what now?

Amazon has since scrapped this AI tool for good reason. Instead, Amazon is just using AI to perform simple tasks, such as removing repeated applications from the database!



## LIMITATION TWO: DATA PROTECTION



ChatGPT may face legal challenges with respect to data protection law. As ChatGPT is trained on a large dataset from the internet, which may include personal information of individuals, ChatGPT may inadvertently process and share this personal information with its users in a manner that violates data protection laws across many jurisdictions.

E.g., The EU's GDPR has the "right to be forgotten", meaning that individuals have the right to be completely erased. But ChatGPT's natural language processing makes it difficult to remove all traces of an individual's personal information.

### What about Open AI's Terms of Use?

Clause 5(c) of OpenAI's Terms of Use states the following:

"(c) Processing of Personal Data. If your use of the Services involves processing of personal data, you must provide legally adequate privacy notices and obtain necessary consents for the processing of such data, and you represent to us that you are processing such data in accordance with applicable law. If you are governed by the GDPR or CCPA and will be using OpenAI for the processing of "personal data" as defined in the GDPR or "Personal Information,"



The onus seems to be on the users to ensure compliance.

Some experts however argue for "a privacy team with fact-checkers and someone focusing on ethics" to address these issues.



## LIMITATION THREE: IP LAW



Since ChatGPT generates its responses from a massive dataset, it can be argued that the responses are a form of derivative work. As such, do ChatGPT's responses infringe copyright?

Derivative Works?: This depends on whether ChatGPT exercises sufficient skill, labour or judgement in the production of its content, and whether it fulfils the requirement of material alteration or embellishment such that totality of the derivative work can be differentiated from the source material. We argue that this is made out because of ChatGPT's capabilities in generating new content.

Originality of ChatGPT Content: ChatGPT's generative AI may arrange data creatively and thus has the potential to be considered original.

However, this degree of originality also depends on how the user formulated the ChatGPT inquiry (e.g., asking to directly retrieve information vs coming up with new poetry).





## OUR CONCLUSIONS: THANK YOU FOR READING!



ChatGPT is a useful tool that can be applied in the legal industry such as drafting templates for legal documents to save time or acting as a Chatbot for legal services. However, the user must [take into consideration the limitations and biases associated with its training methodology](#). As attribution of the output by ChatGPT to its sources may be difficult, issues of copyright infringement may arise.

However, these issues are based on how the output generated by ChatGPT is used. It is the responsibility of the user of ChatGPT to [use it in good faith and in accordance with the applicable laws and regulations](#). As of writing, there has not been an opportunity for the Singapore courts to comment on the methodology of ChatGPT and whether it poses any legal risks. Overall, it is likely that ChatGPT will influence the legal sector, and we will be monitoring the issues that may follow from its implementation.



## OUR REFERENCES: THANK YOU FOR READING!

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