PHOENIX

NCSHA 50 YEARS

2024

price of entry into the world of Generative AI.

AI Governance, Risk, Security, and Compliance

Greg Blake, CIO
Idaho Housing and Finance Association

EXCLUSIVE

STAT+

IBM's Watson supercomputer recommended 'unsafe and incorrect' cancer treatments, internal documents show

By CASEY ROSS and IKE SWETLITZ / JULY 25, 2018

Reprints

Ethical concerns mount as AI takes bigger decision-making role in more industries

BY Christina Pazzanese
Harvard Staff Writer

DATE October 26, 2020

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REUTERS

Insight - Amazon scraps secret AI recruiting tool that showed bias against women

SAN FRANCISCO (Reuters) - Amazon.com Inc's AMZN.O machine-learning specialists uncovered a big problem: their new recruiting engine did not like women.

10,836 views | Mar 21, 2020, 10:38am EDT

Facebook Spreads Fake News Faster Than Any Other Social Website, According To New Research

Mark Travers Contributor
Science
I write about the world of psychology and survey research.

TECH • FACIAL RECOGNITION

Airport and Payment Facial Recognition Systems Fooled by Masks and Photos, Raising Security Concerns

DETROIT

Detroit police work to expunge record of man wrongfully accused with facial recognition

Sarah Rahal and Mark Hicks The Detroit News

Published 12:35 a.m. ET Jun. 26, 2020 | Updated 6:29 p.m. ET Jun. 26, 2020

BANKING DIVE

Bias from AI lending models raises questions of culpability, regulation

The number of data points used in AI lending models — and a lack of diversity among people creating them — raise red flags.

future tense

Uber's Self-Driving Car Killed Someone. Why Isn't Uber Being Charged?

By JESSE HALFON

OCT 20, 2020 • 9:00 AM

TECHNOLOGY

Algorithms Are Making Economic Inequality Worse

by Mike Walsh

October 22, 2020

FAMILY

How the Racism Baked Into Technology Hurts Teens

Adolescents spend ever greater portions of their days online and are especially vulnerable to discrimination. That's a worrying combination.

AVRIEL EPPS-DARLING OCTOBER 24, 2020

Business

Apple Card algorithm sparks gender bias allegations against Goldman Sachs

Entrepreneur David Heinemeier Hansson says his credit limit was 20 times that of his wife, even though she has the higher credit score

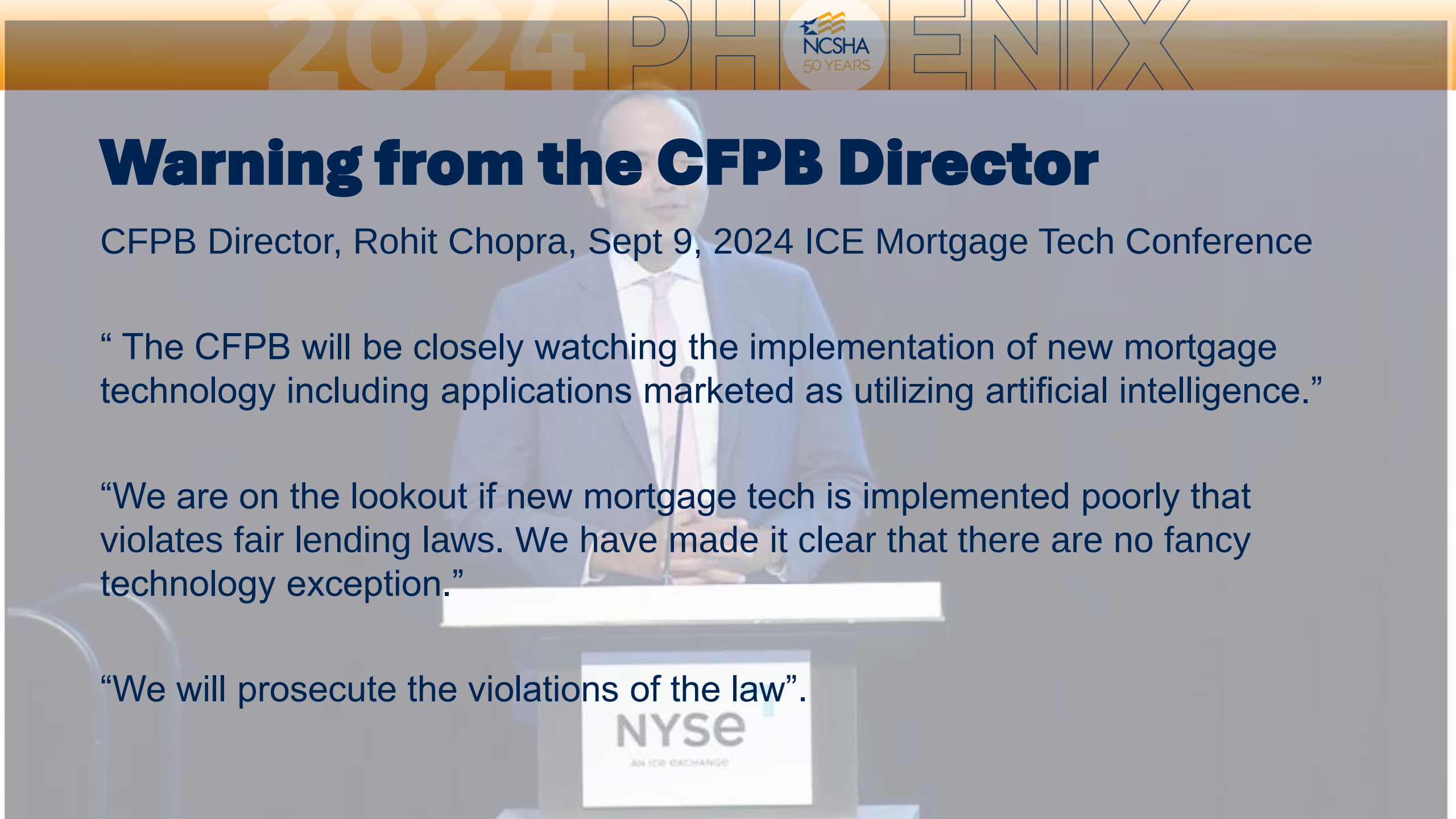
Warning from the CFPB Director

CFPB Director, Rohit Chopra, Sept 9, 2024 ICE Mortgage Tech Conference

" The CFPB will be closely watching the implementation of new mortgage technology including applications marketed as utilizing artificial intelligence."

"We are on the lookout if new mortgage tech is implemented poorly that violates fair lending laws. We have made it clear that there are no fancy technology exception."

"We will prosecute the violations of the law".



Know where your company data goes. Terms and Conditions

Meta Ollama – It is an On-Premise downloadable model

- Your data cannot be seen or used

Google Gemini

- 18 year or older, your data will be used to train their model
- Google docs has been doing this for years.

OpenAI ChatGPT and Xai Grox

- Both has a switch to a disable to train model with your data (you have to find and disable)

Anthropic Claude AI

- by default your data is not used to train their AI, but you can turn it on.

AI Risks and Challenges

AI can introduce new risks, such as:

- Bad data poisoning: intentionally introducing false or biased data into AI models
- Trusting external data sources: relying on external data sources and open source models that may not be trustworthy
- Lowbrow cyberattacks: AI-powered phishing and other attacks that are more successful and sophisticated

Over-reliance on AI for automation and decision making

Applying models for use cases that demand high precision, with inadequate oversight and review.

Lack of human judgement and critical thinking

Inadequate oversight and review

Dependence on a single source of data

Non-compliance with data protection and privacy regulation

Unlawful secondary uses of personal data

Data breaches

Lack of transparency and consent

Inadequate data protection measures

Reputation Damage

Reputational damage by failing to meeting community standards and customer expectations around the use of AI in products and services, and the use of personal data with AI.

Decreased customer loyalty

Loss of trust by your customer

Brand reputation erosion

Unlawful Discrimination

Unlawful discrimination or harmful biases caused by unbalanced training data and/or insufficient human oversight and review of model outputs

Operational Resilience

Insufficient planning for operational resilience for business-critical applications

Inaccurate Insights

Inaccurate insights or misinformation decision due to quality issues with training data, model design, training approach or improper usage of the model

Ambiguous Intellectual Property Rights

Ambiguous intellectual property rights due to the use of generative AI that was trained on copyright or proprietary data/model owned by another party

Copyright Infringement: Generative AIs may be found to infringe on copyrights if they were trained on vast amounts of data without permission from rights holders.

Breach of Website Terms of Use:

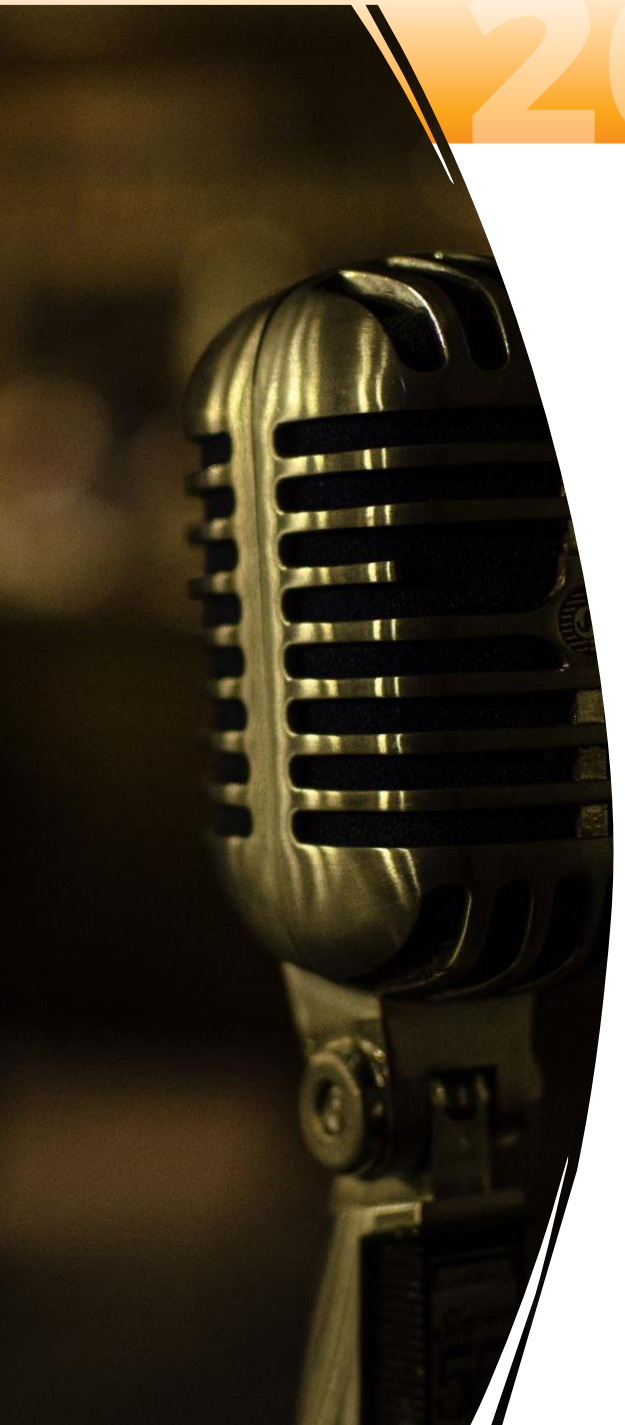
Requires website to have terms of use (not all websites have terms of use).

Terms of use must restrict using the website in ways consistent with how generative AIs were trained.

A Cautionary Tale – You need to own the output

Case of Steven Schwartz attorney- NEW YORK, June 22 (Reuters) - A U.S. judge on Thursday imposed sanctions on two New York lawyers who submitted a legal brief that included six fictitious case citations generated by an artificial intelligence chatbot, ChatGPT.

Chong Ke, from Vancouver, under investigation after allegedly using ChatGPT to cite case law – but those cases did not exist



Who owns your voice?

Your voice cannot be patented, trademarked, or copyright.

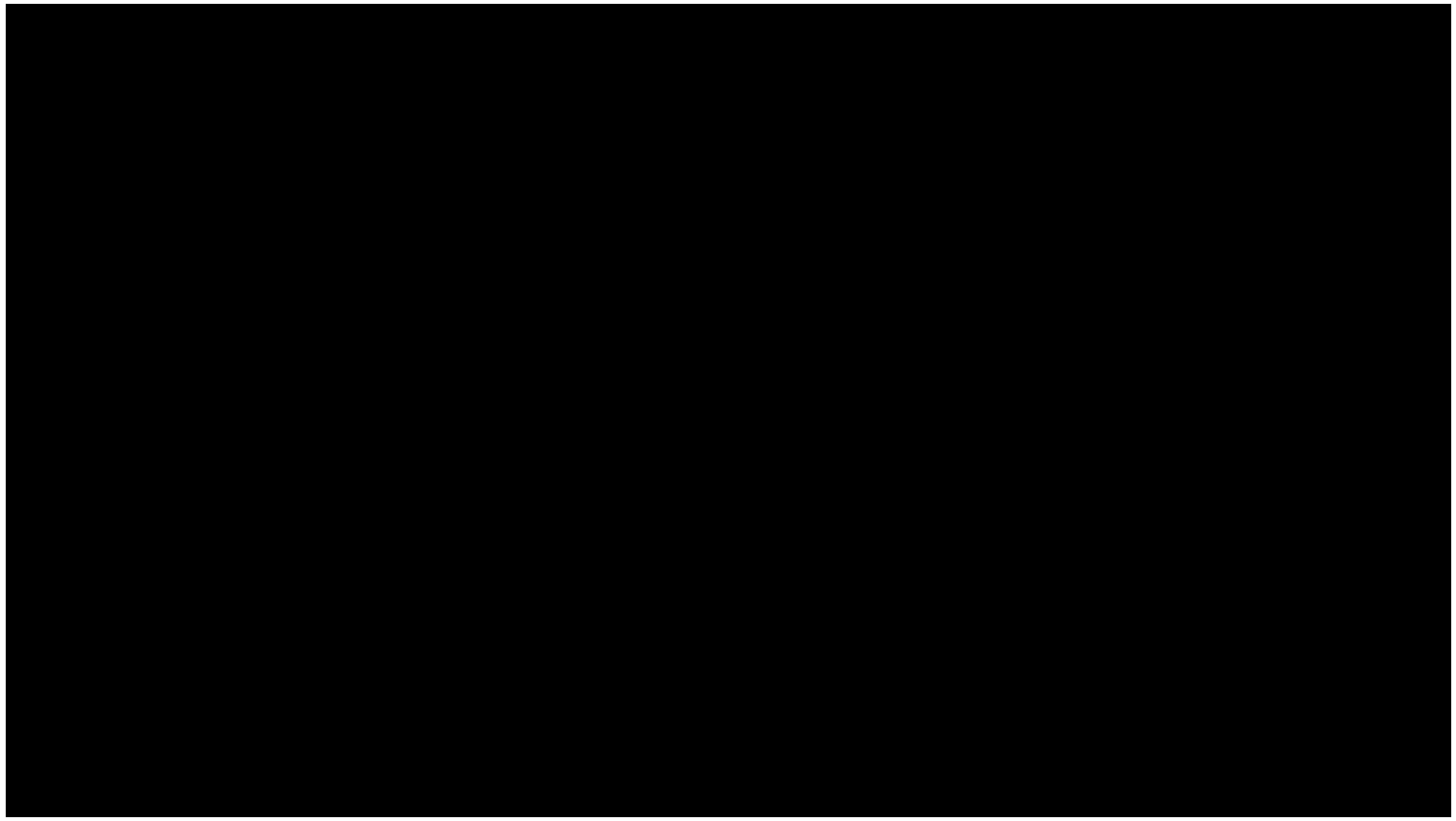
- The expression of an idea

In some states, if you are a celebrity, your voice can be protected by publicity rights for misappropriation (sometimes)

- However, there is no federal law establishing the right to publicity
  - Goodyear obtained the copyright to her song. Nancy sued, Nancy Lost
- 1988 – Bette Midler vs Ford.
  - Commercial, Midler sued, Midler won

1970 - Sinatra vs Goodyear (Nancy lost the case)
Goodyear wide boot tires

Deep Fakes



Apple Intelligence – A privacy killer

New iPhone with neural processors are a red flag of things go come.

iPhone have eye tracking feature to figure out interest on advertisement

iPhones can detect car crashes.

iPhone are now constantly listening for any vocal shortcuts

iPhone have a new mirror feature to mirror the screen to other devices.

- Hackers will figure this out.

Find my iPhone works if even powered off.

Infrared tracking of your presence close to the iPhone – scans of the environment

iPhone can communicate without internet using Bluetooth to other devices nearby

- Even with sim card removed, airplane mode, and no internet

Scanning of your media and photo

- First to report CSAM automatically.

China allows Apple phones and not google phones.

Thank you