MTG LEARNING SERIES

AI Primer

Foundations and practical business use

Understand how AI fits together. Define the work clearly.
Check the result before putting it into use.

- **AI components and training**
- **Requirements and reusable prompts**
- **Model selection and reference glossaries**

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MTG4BIZ.COM | Learning edition | October 9, 2026

READING GUIDE

How to use this Primer

AI becomes useful business practice when people understand its components, define the task, set information and action boundaries, and check the result. This Primer brings those steps together for business owners, managers and teams.

Read the foundations first if AI is new to you. Use the prompt guide while preparing a task, and return to the glossaries whenever terminology gets in the way. The training sections explain how MTG applies the method to an organization's actual work.

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Use this material at work

Start with a task	Choose one bounded workflow. State what success looks like, use approved information and decide who must review the output.

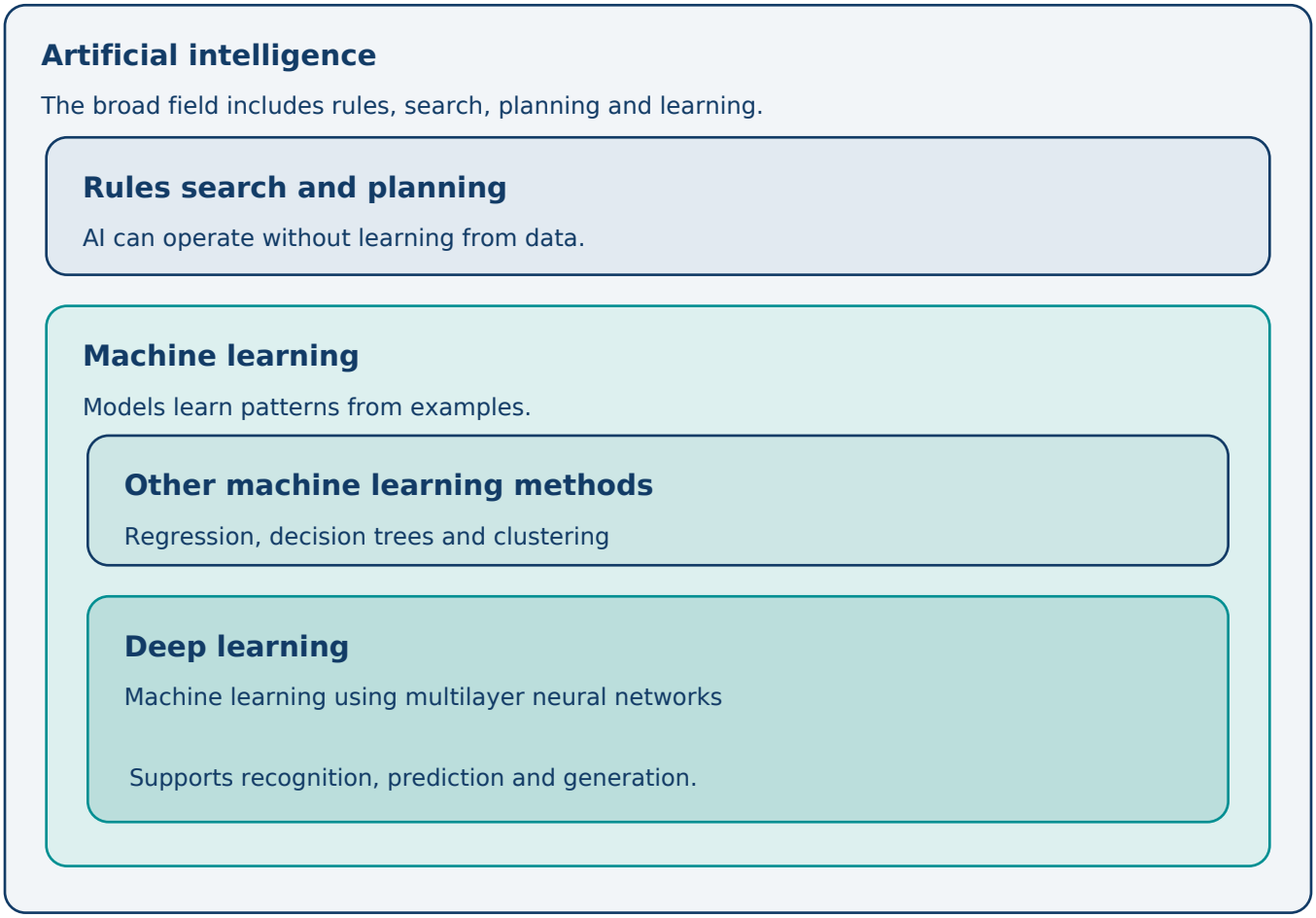
Model families, apps, licenses and access conditions change. This edition emphasizes provider families and selection criteria; follow the official links before choosing a specific model.

Adapted from chapters 12-17 of the MTG Complete Master Notebook, revised October 5, 2026. Substantive training and reference material is retained; blank note pages and notebook navigation are omitted. The contents page identifies the master glossary as chapter 17.

CHAPTER 12 | FOUNDATIONS

How AI fits together and applied training

Artificial intelligence is a broad field. Machine learning is one part of it, and deep learning is one part of machine learning. Code, data, hardware and applications cooperate with models but serve different roles.



Where LLMs fit Large language models are a major deep-learning model family. Generative AI describes content creation; it is not the same category as all deep learning.

Rules, search and planning can support AI without learning from data. Modern learning models can support recognition, prediction and generation.

CHAPTER 12 | THE LEARNING WORKFLOW

From code to a trained model

Training creates or updates a model's learned parameters. Deployment makes that model available to an application. Inference uses the trained model on new input.

01 Task and training data

Define the goal and prepare representative examples.

↓

02 Code frameworks and hardware

Code coordinates the work; frameworks and CPUs or GPUs execute it.

↓

03 Architecture and training algorithms

The structure defines the model; algorithms adjust its parameters.

↓

04 Trained model

The model combines its structure with learned weights.

↓

05 Evaluation and deployment

Test performance for the task, then release into an application.

↓

06 Inference

New input and a trained model produce a prediction or generated output.

The feedback loop	Monitoring may lead to better data, a different architecture or further training. An ordinary model request normally uses the existing weights.

CHAPTER 12 | COMPONENTS IN PRACTICE

A working animated chatbot

A chatbot is a system of cooperating components. Its language model, application code, speech services and animation each do a different job.

01 User interface

A person types a question or uses speech recognition.

↓

02 Application and backend

Code manages sessions, permissions, API calls and conversation flow.

↓

03 Prompt conversation and retrieved information

Instructions and context may include approved document search.

↓

04 Language model

The model generates a response or requests a tool operation.

↓

05 Text speech and animated avatar

Speech synthesis and animation coordinate audio and visible movement.

↓

06 Optional tool loop

The application checks a requested tool action and returns the result.

Across the system Privacy, permissions, testing, monitoring and response speed apply throughout. Retrieval supplies information; animation controls the visible character.

CHAPTER 12 | WORKING DEFINITIONS

AI component reference

Artificial intelligence

The broad field of systems that perform tasks associated with intelligence. It includes rules, search and planning as well as machine learning.

Machine learning

AI that learns patterns from data. Supervised, unsupervised and reinforcement learning are major approaches.

Deep learning

Machine learning using neural networks with many layers. A neural network is a model structure; depth refers to its layers.

Generative AI

AI that creates content such as text, images, audio or video. Many prominent modern systems use deep learning, but generative methods also exist outside it.

Large language model

A large model trained on language, usually with a transformer architecture. It processes tokens and generates text; some models also accept images or audio.

Data and labels

Examples used for learning, testing or retrieval. Labels provide known answers in supervised learning. Quality, privacy and representative examples affect reliability.

Python and application code

Python is a programming language, not a type of AI. Code prepares data, runs training, calls models and connects services; other languages also contribute.

Frameworks and hardware

Frameworks such as PyTorch and TensorFlow provide numerical and neural-network utilities. CPUs and GPUs perform computations. Neither is the trained model.

CHAPTER 12 | WORKING DEFINITIONS

AI component reference continued

Algorithm and architecture

An algorithm is a procedure. Training algorithms adjust parameters to reduce an error measure. Architecture defines the model's structure, such as a tree or transformer.

Trained model and weights

A trained model combines structure with learned parameters, often called weights. Training changes those parameters; fine-tuning continues training on additional examples.

Inference

Using a trained model on new input, locally or through a hosted service. An ordinary chatbot question changes its context, not its weights.

Prompt and context

A prompt supplies instructions and input. Context can include conversation and retrieved information. Prompt design guides a model without retraining it.

Retrieval augmented generation

RAG retrieves relevant approved information and includes it in model context. Embeddings represent content numerically for similarity search. RAG itself does not retrain the model.

API and backend

An API is an interface through which software calls a model or service. Backend code manages sessions, permissions, context and calls. The API is not the model.

Tools and agents

Tools perform operations such as calculations or database queries. Application code validates and executes requests. An agent adds a loop for planning, tool use and progress checks.

Voice and animated avatar

Speech recognition handles spoken input; speech synthesis produces audio. Lip sync and motion control coordinate speech timing with face and head movement.

Evaluation and operations

Evaluate task performance before deployment, then monitor reliability and latency. Security, privacy, permissions and human review apply across the system.

CHAPTER 12 | PURPOSE THROUGH VERIFICATION

The MTG prompting framework

The seven-part framework gives participants a repeatable way to specify a task. It supports departmental job aids and reusable prompt libraries.

Part	What to define
1 Purpose	The business result
2 Context	Relevant background
3 Role	The AI's working perspective
4 Inputs	Approved facts and source material
5 Constraints	Limits, rules and exclusions
6 Output	Format, length and tone
7 Verify	Facts, risks and readiness

From a basic request to a reviewable draft

Basic request: Write a customer response about a late order.

Business ready prompt	Act as a customer-service representative for our organization. Using the information below, draft a professional response concerning a delayed order. Acknowledge the inconvenience without admitting liability. Do not promise a delivery date unless one appears in the supplied information. Keep the response under 175 words, use a friendly professional tone, and identify any information that should be verified before the message is sent.

Purpose, role, context, constraints and output requirements make the result easier for a manager to check. A well-written prompt still requires verification.

CHAPTER 12 | OPERATING BOUNDARIES

Business guardrails for everyday use

Training works best when the organization defines its AI operating boundary before or alongside employee practice.

Area	Questions to settle
Approved tools	Which applications and account types may employees use?
Data handling	What confidential, customer, employee, financial or proprietary information is prohibited?
Human review	Which outputs require review, approval or subject-matter validation?
Brand and tone	What language, claims and communication standards must outputs follow?
Sources and accuracy	When must facts be cited, checked against primary sources or independently verified?
Prohibited uses	Which decisions or activities must not be delegated to AI?
Records and ownership	How will prompts, outputs, approved templates and intellectual property be retained?

A practical deliverable

A concise Client AI Use and Prompting Standard should be understandable to employees, enforceable by managers and maintainable as tools and workflows change.

CHAPTER 12 | LEARNING OUTCOMES

Learning outcomes and continued use

Recommended module	Practical outcome
Generative AI foundations	Understand strengths, limits and responsible use
MTG prompting framework	Write structured prompts for repeatable work
Business guardrails	Recognize prohibited inputs and delegated actions
Department applications	Apply AI to relevant business functions
Verification and quality control	Find errors, unsupported claims, omissions and bias
Prompt refinement	Improve results through examples, constraints and iteration
Capstone exercise	Complete an approved client workflow

From training to implementation

Training can help teams identify repetitive tasks, unclear handoffs, inconsistent documentation and control gaps. Use these findings to improve work practices and evaluate results.

An AI Prompt and Usage Playbook can organize approved templates for management, sales, marketing, HR, customer service, operations, finance and documentation. Assign an owner to maintain the playbook as processes and tools change.

Efficiency	Quality	Adoption and control
Time per task	Rework rate	Active users
Cycle time	Error rate	Approved-template use
Volume completed	Manager acceptance	Guardrail exceptions

CHAPTER 13 | REQUIREMENTS LED CURRICULUM

Applied AI training curriculum

Applied Generative AI and AI Work Specification Development connects business objectives with concise, distinct, testable requirements and governed AI instructions. Teams use the Requirements to Results Framework to define and evaluate AI-supported work.

Training outcomes

• Separate objectives, requirements, assumptions, constraints and acceptance criteria.

• Write concise, distinct, traceable and testable requirements.

• Specify roles, approved sources, business rules, output formats, checks, prohibitions and human approvals.

• Recognize privacy, security, prompt-injection, intellectual-property and unreliable-output risks.

• Evaluate work using evidence, test cases, review gates and repeatable scoring.

• Create a departmental prompt library and maintenance process.

Course module	Participant output
1 Business context	Problem statement and success measures
2 Requirements	Baseline of functional, data, integration, security and operational requirements
3 AI Work Specifications	Reusable governed specification
4 Use cases and process flows	Use case and future-state flow
5 Verification and testing	Evaluation and test set
6 Security and governance	Guardrail checklist
7 Operational adoption	Department playbook and action plan

CHAPTER 13 | APPROVED BUSINESS USE

The security baseline

Security and human oversight belong within the delivery method. Clear operating controls help teams use AI responsibly during everyday work.

• Classify business data before model use and identify information that may never be submitted to an external service.

• Approve models and vendors against retention, training-use, residency, access, contractual and regulatory needs.

• Apply least privilege, multifactor authentication, secrets management, encryption, logging, output validation and secure API design.

• Test prompt injection, sensitive-data disclosure, insecure tool use, excessive agency, dependency vulnerabilities and integration failures.

• Require approval appropriate to the risk, separation of duties, version control, change records, rollback, incident response, backup and recovery testing.

Accountability	Assign a person to approve important outputs and tool actions. A prompt is one control; permissions, application checks and operating procedures also matter.

Contact MTG

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CHAPTER 14 | A REPEATABLE PRACTICAL METHOD

Business guide to generative prompts

Tell the AI what success looks like, not merely what subject to discuss. Business objectives, requirements, use cases, constraints and acceptance criteria make results more useful and reviewable.

The core prompt framework

Use the components that materially affect the result. Clarity is more valuable than length.

Component	Question	Example
Role	What expertise or perspective is needed?	Act as a retail operations consultant.
Objective	What deliverable must be produced?	Create a customer-response workflow.
Context	What facts could change the answer?	The store serves musicians and offers repairs and lessons.
Requirements	What must the result accomplish?	Include steps, owners, decisions and measures.
Constraints	What limits or exclusions apply?	Do not invent prices or customer data.
Output	How should the result be presented?	Use a table followed by recommendations.

Reusable template

Prompt	Act as a [role]. Create [deliverable] for [audience and purpose]. Use this context: [relevant facts]. Include [requirements]. Follow these constraints: [limits and exclusions]. Present the result as [format]. Before finalizing, verify that [acceptance criteria] are satisfied.

CHAPTER 14 | DEFINING WHAT MUST BE TRUE

Business requirements and use cases

Business requirements translate goals into conditions the output must satisfy. They reduce generic responses and create a basis for evaluation.

Requirement type	Typical content
Business	Objectives, benefits, priorities, budget and success measures
Functional	Actions or capabilities the solution must perform
Operational	Owners, staffing, workflow, timing, support and escalation
Data	Inputs, sources, quality, access, retention and accuracy
Security and compliance	Privacy, permissions, policies, regulations, approvals and audit needs
Quality	Accuracy, tone, consistency, review and performance
Technical	Platforms, integrations, compatibility and limitations

Add a realistic use case

Describe the actor, trigger, goal, normal flow, information used, exceptions and expected outcome. The use case shows how a requirement operates in real work.

Alignment	Business objective → requirement → use case → requested output → acceptance criteria

Ask: Who performs or receives the activity? What starts it? What is the goal? What sequence normally occurs? What happens if information is missing or a rule is violated? What observable result indicates completion?

CHAPTER 14 | FROM VAGUE TO BUSINESS READY

The CLEAR method

Step	Action
C Clarify the outcome	State exactly what must be produced and why.
L Limit the scope	Define length, boundaries, exclusions and decision authority.
E Explain the context	Provide facts that can materially change the answer.
A Assign the format	Specify the structure: table, checklist, report, workflow or other form.
R Review and refine	Test against acceptance criteria and give targeted revisions.

A customer service example

Vague: Write a customer-service process.

Business ready	Act as a customer-service operations consultant. Design a workflow that reduces response time for order-status inquiries while protecting customer information. Use approved order data, provide a draft response within 30 seconds, and escalate when delivery information is missing or inconsistent. The primary use case is a customer asking for an online order's status. Identify steps, owner, required data, decisions, risks, controls and success measures. Present a table followed by implementation recommendations. Do not invent policies, prices, customer details or system capabilities. Mark unresolved items "To be confirmed."

The 30-second target is an example requirement to test, not an established MTG performance result.

CHAPTER 14 | WRITING AND REFINING IN STAGES

Efficient prompt development

• Lead with the deliverable and business purpose.

• Include only context that could change the result.

• Label instructions, source material and examples separately.

• Specify measurable limits such as length, reading level, number of options, timeframe or performance target.

• Divide complex work into requirements review, outline, draft, validation and finalization.

• Reuse tested templates for recurring tasks.

• Give precise revisions such as "reduce to 300 words and preserve all verified facts."

The development workflow

Stage	Action
1 Define	State the problem, audience and required deliverable or decision.
2 Gather	Collect approved facts, sources, policies and constraints.
3 Model	Describe primary use cases, alternate paths and exceptions.
4 Draft	Specify role, objective, context, requirements, constraints and format.
5 Challenge	Identify missing, ambiguous or conflicting requirements before solving.
6 Generate	Produce a draft with assumptions and unresolved items labeled.
7 Validate	Check acceptance criteria and authoritative sources.
8 Refine	Issue targeted revisions, record approval and save reusable patterns.

CHAPTER 14 | EVIDENCE BEFORE USE

Guardrails and final quality review

Guardrail language	Use only supplied information or approved sources. Do not invent customer data, prices, policies, legal requirements, quotations or performance results. Identify assumptions separately. Mark missing information "To be confirmed." Escalate issues that could materially affect legal, financial, safety, employment, privacy or customer commitments.

- Require human review for legal, medical, financial, safety, hiring, disciplinary or regulatory content.
- Protect confidential, proprietary and personally identifiable information.
- Verify facts, calculations, quotations, dates and cited sources.
- Polished wording does not substitute for evidence or approval.

Final quality checklist

Check	What should be clear
Purpose and audience	Deliverable, intended outcome and decision-maker
Facts and requirements	Authoritative inputs and applicable business, operational, data, security and quality needs
Use and boundaries	Realistic use case; constraints, exclusions, assumptions and escalation
Format and acceptance	Response structure, level of detail and measurable criteria
Approval	Human review where the business risk warrants it

Before starting	Before developing the solution, identify missing, ambiguous or conflicting requirements. Do not invent critical business rules. State assumptions separately and request clarification when an assumption could materially change the result.

CHAPTER 15 | APPENDIX A

Quick glossary

Working definitions used in MTG planning and training. Contract terms should define any legally binding meaning.

Term	Definition
Acceptance criteria	Specific conditions a solution must meet before a client accepts it.
Agent	A model-based system that can plan steps and call approved tools within defined limits.
AI Work Specification	MTG's documented instructions, input boundaries, rules, output format, checks, and approvals for an AI-supported task.
API	A defined interface through which software systems exchange requests and results.
Baseline	Measured starting point used to compare results after a change.
Context window	Amount of input and prior content a model can handle in one request; practical performance may vary.
Data classification	A designation such as public, internal, confidential, or regulated that controls permitted use.
Embedding	A numerical representation used to compare or retrieve semantically related content.
Evaluation set	Representative examples and expected outcomes used to compare model or workflow performance.
Fine-tuning	Additional training that adapts a model; distinct from supplying source material at request time.
Foundational model	A general model that can be adapted to many downstream tasks.
Guardrail	A technical or procedural control limiting inputs, actions, outputs, and approvals.
Hallucination	Plausible model output that is unsupported or false.

CHAPTER 15 | APPENDIX A

Quick glossary continued

A concise reference for everyday AI-supported work.

Term	Definition
Human-in-the-loop	Required human review or decision at a defined point in a workflow.
Inference	Running a trained model on a new request.
LLM	Large language model trained to work with language and, for some models, other media.
Model evaluation	Testing quality, safety, latency, and reliability on the organization's own tasks.
Multimodal	A model or workflow handling more than one data type, such as text and images.
Open weights	Downloadable model parameters; use remains subject to the applicable license.
Prompt injection	Instructions hidden in untrusted material that try to redirect a model or tool workflow.
RAG	Retrieval-augmented generation: find relevant approved sources and supply them with a model request.
Rollback	A prepared method to restore a prior stable release.
Stage gate	A documented approval point with required evidence before proceeding.
Token	A model's processing unit for text and some other inputs; counts affect processing limits.
Traceability	A link from business objective through requirement, design, test, and operational control.
UAT	User acceptance testing against agreed business requirements.

CHAPTER 16 | APPENDIX B

Models and services selection guide

Publicly available includes public APIs and downloadable weights. Public access does not automatically grant open-source rights or approval for confidential client information. These are planning considerations to test, not universal rankings.

OpenAI GPT family

Access: Hosted API

Potential advantage: Options for complex reasoning, coding, text and image workflows.

Tradeoff: Proprietary hosted service. Deployment control and data terms depend on contract and configuration; response speed varies by model and workload.

Official provider reference

Anthropic Claude family

Access: Hosted API

Potential advantage: Options for complex work, speed, text and image inputs and tool use.

Tradeoff: Proprietary hosted service. Test style, latency and reliability for the workload.

Official provider reference

Google Gemini family

Access: Hosted API

Potential advantage: Multimodal and realtime options, with speed-oriented choices.

Tradeoff: Features vary across exact versions and preview or stable releases. Test integration and output quality.

Official provider reference

CHAPTER 16 | APPENDIX B

Models and services selection guide continued

Compare the exact release, hosting arrangement and license, not only the family name.

Mistral family

Access: Hosted and selected open weights

Potential advantage: General, coding, OCR and smaller deployable models; some weights have permissive licenses.

Tradeoff: Capabilities and licenses vary. Self-hosting adds deployment, security and support responsibilities.

Official provider reference

Meta Llama family

Access: Downloadable weights and partner hosting

Potential advantage: Deployment control and customization; exact releases offer different media capabilities.

Tradeoff: Review the exact license and hardware needs. Self-deployment makes the operator responsible for updates, monitoring and safeguards.

Official provider reference

Qwen family

Access: Downloadable weights and hosted options

Potential advantage: A variety of sizes supports deployment choices and local experimentation.

Tradeoff: The model card and license govern use. Quality, hardware, security and support differ by variant and provider.

Official provider reference

CHAPTER 16 | EVALUATION AND MAINTENANCE

Choose a model for the work

No model family is universally best. Begin with the task, approved data class and residency needs. Build representative examples, define acceptance criteria and compare the models on the organization's own work.

Evaluate	Questions to test
Accuracy and grounding	Does the answer meet the task and follow approved sources?
Data and privacy	Are retention, training use, residency and access terms acceptable?
Response time	What is the total response time, including review and hosting?
Integration	Can the application validate inputs, outputs and tool actions?
Auditability and access	Can decisions and changes be recorded, reviewed and supported?
Lifecycle	Who manages version changes, dependencies, monitoring and retirement?
Human review	Where must a person approve or correct the result?
A selection rule	Choose a model that meets the acceptance criteria. Record the evidence and decision at the design gate, then retest after material model changes.

The source comparison was reviewed in September 2026. This edition uses provider-family labels and links to the current catalogs rather than treating a dated version number as a lasting recommendation. Capabilities, access and licenses require a fresh check for a client engagement.

CHAPTER 16 | CONSUMER ACCESSIBLE SERVICES

General assistants and research

This selective guide describes common uses. Apps may route among models, and capabilities depend on the exact product, plan, region and device. Follow the provider link and check current terms before business use.

OpenAI / ChatGPT

Writing, analysis, coding, images and everyday assistance. The app can offer several models.

Anthropic / Claude

Writing, document review, reasoning and coding.

Google / Gemini

Multimodal questions, connected work, coding and voice.

Meta AI

Chat and image, voice or web-aware features in supported Meta products.

xAI / Grok

General reasoning, coding and information assistance.

DeepSeek

Chat, code and reasoning workflows.

Alibaba / Qwen Chat

Multilingual chat, code, research and supported image tasks.

Mistral / Le Chat

General work, documents, web research and coding.

Perplexity

Source-linked research; the service can route among models.

Microsoft Copilot

Web and Microsoft productivity assistance; an app, not one fixed model.

Apple Intelligence

Writing, assistant and image features on supported devices.

Selection first	Check data handling, commercial-use rights, access limits and the organization's approved-tool policy. A consumer account is not automatically suitable for client information.

CHAPTER 16 | CONSUMER ACCESSIBLE SERVICES

Image video voice and music

This selective guide describes common uses. Apps may route among models, and capabilities depend on the exact product, plan, region and device. Follow the provider link and check current terms before business use.

ChatGPT Images

Generate and edit illustrations, mockups and marketing visuals.

Midjourney

Stylized imagery and supported image-editing workflows.

Ideogram

Prompt-driven images and text-focused design graphics.

Adobe Firefly

Image editing and creation, plus supported video and partner models.

Runway

Generate and revise videos from text or images.

Google Gemini / Flow

Video creation through eligible Google products and plans.

ElevenLabs

Speech synthesis, narration and voice production.

Suno

Songs, vocals and arrangements from musical instructions.

Selection first	Check data handling, commercial-use rights, access limits and the organization's approved-tool policy. A consumer account is not automatically suitable for client information.

CHAPTER 17 | APPENDIX C

Master glossary

Working definitions from the complete MTG notebook, covering AI, delivery, strategy and business planning. Signed agreements, filed records and lender forms govern their own terms.

Term	Short definition
Acceptance criteria	Conditions a deliverable must meet before the client accepts it.
Agent	AI system that may plan steps and use approved tools under defined limits.
AI governance	Policies, ownership, reviews and monitoring for responsible AI use.
AI model	Trained system that produces predictions or generated content from input.
AI Work Specification	MTG document defining a task, approved inputs, instructions, output and review checks.
Annual revenue	Money earned from sales or services during a year, before expenses.
API	Application programming interface; rules for software to exchange requests and results.
Applied AI training	MTG instruction tied to actual business tasks, controls and measured outcomes.
Articles of organization	Formation filing used to create an Oklahoma limited liability company when accepted.
Assumption	Unverified planning input used in a scenario, estimate or model.
Baseline	Measured starting condition used for comparison after an intervention.
Break-even	Point at which revenue covers the costs included in the calculation.
Business case	Reasoned statement of a problem, expected benefit, cost and risk.
Business requirement	Business need or outcome that a solution must satisfy.
Cash flow	Cash received and paid during a period; distinct from accounting profit.
Cash-flow forecast	Estimate of future receipts, payments and resulting cash balance.
Client consent	Client authorization for a specific use of its information or results.

CHAPTER 17 | APPENDIX C

Master glossary continued

Working definitions continued. Use the applicable agreement or official record for binding terms.

Term	Short definition
Client discovery	Structured interviews and review to establish needs and constraints.
Collateral (loan)	Asset a borrower pledges as security for a loan.
Commercial use rights	Permission, subject to agreement, to use material for business promotion or sale.
Conservative scenario	Planning case using cautious assumptions about revenue or adoption.
Context window	Amount of content a model can consider in a request, subject to product limits.
Customer segment	Group of potential clients sharing relevant needs or characteristics.
Data classification	Label defining permitted handling of public, internal or sensitive information.
Data privacy	Controls over collecting, using, retaining and sharing personal or client data.
Debt service	Scheduled principal and interest payments on borrowed funds.
Decision gate	Checkpoint at which evidence supports approval, revision or stopping work.
Deliverable	Specific work product promised to a client or required at a stage gate.
Design gate	Approval of the solution approach, controls and acceptance criteria before build.
Development	Implementation of an approved design or prototype into a usable solution.
Discovery gate	Approval of the problem statement, scope and baseline after initial analysis.
Domain	A subject area or, in website material, a named internet address.
EIN	Employer identification number issued by the IRS for a business entity.

CHAPTER 17 | APPENDIX C

Master glossary continued

Working definitions continued. Use the applicable agreement or official record for binding terms.

Term	Short definition
Embedding	Numerical representation used to compare content by meaning.
Engagement	Bounded client assignment governed by agreed objectives and terms.
Evaluation set	Representative cases and expected results for comparing a model or workflow.
Evidence packet	Collected decisions, tests, metrics and signoffs supporting a gate result.
Feasibility	Practical ability to deliver a proposed solution within constraints.
Financial model	Linked assumptions and calculations projecting revenue, costs and cash.
Fine-tuning	Additional training that adapts a model using a prepared dataset.
Generative AI	Models that create text, images, audio, video or other content from input.
Gross margin	Revenue less direct delivery costs, expressed as a share of revenue.
Growth scenario	Planning case with stronger sales or adoption assumptions.
Guardrail	Technical or process limit on inputs, tool actions, outputs or approvals.
Hallucination	AI output that appears plausible but lacks support or is false.
Human review	Person checking, correcting or approving important AI-assisted work.
Implementation plan	Sequenced tasks, owners and milestones for putting a solution in use.
Inference	Running an already trained model on new input.

CHAPTER 17 | APPENDIX C

Master glossary continued

Working definitions continued. Use the applicable agreement or official record for binding terms.

Term	Short definition
Intellectual property	Protected creative or technical work and related ownership rights.
KPI	Key performance indicator; measure of progress toward an objective.
Legacy Bank worksheet	MTG preparation guide for a local loan conversation, not an official bank form.
Lender narrative	Concise explanation of the borrower, requested financing and repayment case.
LLC	Limited liability company; its actual status must be confirmed against filed records.
LLM	Large language model trained to generate or work with language.
Loan guarantee	Promise by a guarantor to cover specified borrower obligations under its terms.
Market opportunity	Potential demand and fit for MTG services in a defined region or segment.
Milestone	Dated event or measurable result used to track a plan.
Model evaluation	Tests of model quality, safety, speed and fitness for a task.
Multimodal	Able to process or generate more than one content type.
Open weights	Downloadable model parameters, subject to the particular license.
Operating expenses	Ongoing business costs outside the direct cost of a specific delivery.
Opportunity analysis	Assessment of customer groups, needs, alternatives and possible demand.
Personal guarantee	Owner promise to repay a business obligation under the signed terms.

CHAPTER 17 | APPENDIX C

Master glossary continued

Working definitions continued. Use the applicable agreement or official record for binding terms.

Term	Short definition
Positioning	Clear statement of whom MTG serves, the problems it addresses and its value.
Prompt	Instruction or input supplied to a generative model.
Prompt injection	Untrusted content attempting to override the system's intended instructions.
Proof of concept	Small test of whether an approach can work before fuller investment.
Proposal	Client-facing description of scope, work, deliverables and terms.
Quality assurance	Planned checks that work products meet agreed standards.
RAG	Retrieval-augmented generation; adding retrieved approved sources to an AI request.
Registered agent	Person or service designated to receive official notices for an entity.
Repayment capacity	Ability to service debt from available business cash under lender review.
Requirements traceability	
Link from an objective to requirements, design, test and final result.	
Risk register	List of risks, likelihood or impact, owners and planned responses.
ROI	Return on investment; benefit relative to an identified investment and period.
Rollback	Prepared way to return to a previous stable solution if a release fails.
SBA 7(a)	SBA program in which participating lenders make eligible business loans with an SBA guarantee.
Scope	Included work and boundaries of an engagement.

CHAPTER 17 | APPENDIX C

Master glossary continued

Working definitions continued. Use the applicable agreement or official record for binding terms.

Term	Short definition
Scope change	Approved adjustment to agreed work, timing or deliverables.
Service level agreement (SLA)	
Commitment to specified service measures and remedies, if applicable.	
Southwest Oklahoma	Primary regional market referenced in MTG's opportunity analysis.
Stage gate	Documented decision point with evidence required before the next stage.
Stakeholder	Person or group affected by or able to influence a project.
Success metric	Measure used to judge whether an agreed outcome was achieved.
Test case	Specified input, action and expected result used to verify a requirement.
Training offer	MTG service that teaches teams to design, apply and check AI-supported work.
UAT	User acceptance testing performed against agreed business needs.
Use case	Concrete description of how a person uses a solution to reach an outcome.
Validation	Checking a solution addresses the underlying business need.
Verification	Checking a deliverable meets its specified requirements.
White paper	Post-project account of approved scope, method and results, subject to agreed use rights.
Working capital	Current assets less current liabilities; commonly used as a liquidity measure.

REFERENCE AND CONTACT

Source notes and continued learning

Primary source: MTG Complete Master Notebook, revised October 5, 2026, chapters 12-17, notebook pages 87-124. This learning edition organizes the AI foundations, training curriculum, prompting methods and reference glossaries for independent reading. The focus is practical AI learning, responsible use and verification.

The notebook's contents identifies Appendix C as chapter 17 even though its divider repeats "Chapter 16." This edition follows the contents numbering.

Provider documentation

OpenAI GPT family model reference

Anthropic Claude family model reference

Google Gemini family model reference

Mistral family model reference

Meta Llama family model reference

Qwen family model reference

OpenAI, Anthropic, Google and Mistral catalog pages were checked October 9, 2026. The other links provide official provider or model-owner entry points. Detailed availability, version names, account features and contractual terms should be checked again when selecting a tool.

Continue with MTG

Use Little Max's AI Village as an introductory tour, then apply this Primer to a real task. MTG training can connect the method with your requirements, workflows, source boundaries and review procedures.

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