SYLLABUS

BUSINESS PLANNING

COURSE #5297, SECTION #25214

University of Houston Law Center
Spring Semester 2027
Wednesdays, 4:00 to 6:00 p.m.

Adjunct Professor Habeeb (Hobbs) Gnaim
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CLASS SESSIONS: Wednesdays, 4:00 p.m. – 6:00 p.m. (Face-to-Face Instruction), University of Houston Law Center ("UHLC").

OBJECTIVES OF COURSE: By the end of this course, you should be able to: (i) have a basic knowledge and understanding of business planning, (ii) demonstrate a better understanding of entity types, choice of entity considerations (from both a tax and business perspective), and common issues that may be encountered with businesses, (iii) better identify and consider ethical and professional questions related to the subject matter, and (iv) integrate the subject matter with the analytical and practical skills necessary to the practice of law as it relates to business planning.

OFFICE HOURS: Professor Gnaim offices with the law firm of Chamberlain, Hrdlicka, White, Williams & Aughtry, P.C. in downtown Houston and does not keep regular office hours on campus. However, he welcomes consultations and meetings with students, which can be via virtual platform (such as Zoom or Teams), telephone or in-person. Students should contact Professor Gnaim (by email at h.gnaim@chamberlainlaw.com or phone call at 713-658-2544) to schedule a date and time.

PREREQUISITE: Federal Income Tax is a prerequisite. Corporate Tax and Partnership Tax are recommended but not required.

REQUIRED MATERIALS:

- Franklin A. Gevurtz, Business Planning (Foundation Press 6th Edition 2024)
- Texas Business Organizations Statutes, relevant sections available at https://www.sos.state.tx.us/corp/boc.shtml
- Texas Model Business Organization Forms, relevant sections available at https://www.sos.state.tx.us/corp/forms_option.shtml
- Internal Revenue Code of 1986, as amended, relevant sections available at https://uscode.house.gov/browse/prelim@title26&edition=prelim
- Securities Act of 1933, as amended, including rules and regulations, relevant sections available at https://www.sec.gov/about
- Securities Exchange Act of 1934, as amended, including rules and regulations, relevant sections available at https://www.sec.gov/about

GRADING: You will receive a letter grade in this course, which will be almost entirely dependent upon the final examination, which will consist of multiple essay questions. The examination will be an anonymous, in-person, face-to-face examination requiring your physical presence. Materials permitted to be used for the examination will be (i) Required Materials (described above), (ii) this syllabus, (iii) any supplemental materials (as provided during the semester), (iv) class notes and (v) outlines you prepared or helped to prepare. Not permitted are commercially prepared materials and outlines. The examination will be administered through the EBB Client software in **blocked** mode. Accordingly, any permitted materials must be in **printed form** since you will be unable to access them electronically during the examination. Class participation is encouraged, and the professor reserves the right to adjust a student's grade upward one-third of a letter grade (e.g., from a B to a B+) for significant contributions to the class discussions.

ATTENDANCE: This course is designated as a face-to-face course that will be taught in-person in classrooms. Attendance will be noted for every class. The UHLC attendance policy requires a minimum attendance of 80% of the total class time. Failure to attend three class sessions will require the professor to notify the Office of Student Affairs of the student's non-adherence to school policy. Since outstanding class participation can result in a positive adjustment to a student's exam grade, attendance is both strongly encouraged and is a vital pre-requisite to successful performance on the examination.

ANTICIPATED CLASSROOM DISCUSSIONS: Class sessions will begin with the assumption that all students have (i) read the weekly assignments (described below), and (ii) worked through any assigned problem(s).

STUDENT QUESTIONNAIRE. Each student should email to h.gnaim@chamberlainlaw.com the following information (please note that each student's Cougarnet email address will be used for normal class communications, and the other contact information will be used rarely, if at all, to get information to students such as cancellation of the class on short notice):

Name:_____

Mobile Phone Number:_____

UH Cougarnet Law Email Address:_____

Current employer (if employed):_____

Work phone number (if employed):_____

Degree program (JD / LLM):_____

If LLM, where did you get your JD degree:_____

Goals for Class:_____

_____

Prior work experience (after college, if any):_____

_____

WEEKLY ASSIGNMENTS

Class Dates	Reading Assignments
Week 1 (01/20/27)	Gevurtz: pp. 1–37; 44–50; Introduction; attorney's role in advising clients entering into a new venture; business decisions; necessary warnings v. breaking the deal; ethical issues; who is the client?; fee arrangements; level of specialty required.
Week 2 (01/27/27)	Gevurtz: pp. 51–105; Choice of entity; general considerations; tax considerations; limited liability, management, control, familiarity and flexibility; tax factors; losses; participation in venture; treatment of income; multi-entity structures; hybrid entities.
Week 3 (02/03/27)	Gevurtz: pp. 107–150; 163–175; Formation of a partnership, limited partnership or limited liability company; contributions; special problems with non-cash contributions; alternatives to capital contributions; allocating profit and loss. Also: IRC §§ 721,722,723 Texas Business Organization Code (Title 1; Ch. 101; Ch. 151–154) Texas Revised Partnership Act (Art. 6132b-1.01 et. seq.) Texas Revised Limited Partnership Act (Art. 6132a-1)
Week 4 (02/10/27)	Gevurtz: pp. 186–191; 243–279; Tax aspects; conduit principle; special allocations, basis leverage and at-risk limitations; passive losses; alternatives to profit shares; management; partnership dissolution and changes in ownership; liquidation planning.
Week 5 (02/17/27)	Gevurtz: pp. 279–293; 319–325; 331–358; Planning for a buy-out; planning for liquidation; planning for new partners; mergers and the like involving noncorporate entities.
Week 6 (02/24/27)	Gevurtz: pp. 359–365; 370–386; 419–438; Incorporation; contributions; special problems with non-cash contributions; receipt of stock for property or services; alternatives to purchasing stock; later stock purchases. Also: IRC §§ 351, 357, 358 Texas Business Organization Code (Title 1; Ch. 20–21) Texas Business Corporation Act
Week 7 (03/03/27)	Gevurtz: pp. 438–485; Profit and loss; dividends; alternatives to dividends; subchapter S.
Week 8 (03/10/27)	Gevurtz: pp. 498–547; Management; Dissolution and changes in ownership; dissolution for deadlock or oppression.
SPRING BREAK	
Week 9 (03/24/27)	Gevurtz: pp. 581–586; 600–631; 664–674; Financing; assessing financial needs; determining the nature and worth of the investments offered; targeting the appropriate investors; going public; alternatives to going public.
Week 10 (03/31/27)	Gevurtz: pp. 719–739; 766–786; Corporate restructuring transactions; buyouts; redemptions.

Week 11 (04/07/27)	Gevurtz: pp. 805–813; 823–838; 846–848; 858–872; Restructuring through stock dividends and recapitalizations; restructuring through divisions and contractions.
Week 12 (04/14/27)	Gevurtz: pp. 900–909; 914–932; 948–961; Purchase and sale of a business; preliminary considerations; negotiations.
Week 13 (04/21/27)	Gevurtz: pp. 967–973; 991–1012; 1020–1035; Purchase and sale of a business; pre-acquisition transacting; structuring the acquisition.
Week 14 (04/28/27)	Gevurtz: pp. 1062–1076; 1083–1089; 1098–1108; Structuring the acquisition; Tax aspects; follow-up transactions. LAST CLASS

UH EMAIL: Please check and use your Cougarnet email for communications related to this course. Faculty use the Cougarnet email to respond to course-related inquiries such as grade queries or progress reports for reasons of FERPA. To access your Cougarnet email, login to your Microsoft 365 account with your Cougarnet credentials. Visit University Information Technology (UIT) for instructions on how to connect your Cougarnet email on a mobile device.

SECURITY ESCORTS AND COUGAR RIDE: UHPD continually works with the University community to make the campus a safe place to learn, work, and live. The security escort service is designed for the community members who have safety concerns and would like to have a Security Officer walk with them, for their safety, as they make their way across campus. Based on availability either a UHPD Security Officer or Police Officer will escort students, faculty, and staff to locations beginning and ending on campus. If you feel that you need a Security Officer to walk with you for your safety, please call 713-743-3333. Arrangements may be made for special needs.

Parking and Transportation Services also offers a late-night, on-demand shuttle service called "Cougar Ride" that provides rides to and from all on-campus shuttle stops, as well as the MD Anderson Library, Cougar Village/Moody Towers and the UH Technology Bridge. Rides can be requested through the UH Go app. Days and hours of operation can be found at https://uh.edu/af-university-services/parking/cougar-ride/.

MENTAL HEALTH AND WELLNESS RESOURCES: The University of Houston has a number of resources to support students' mental health and overall wellness, including CoogsCARE and the UH Go App. UH Counseling and Psychological Services (CAPS) offers 24/7 mental health support for all students, addressing various concerns like stress, college adjustment and sadness. CAPS provides individual and couples counseling, group therapy, workshops and connections to other support services on and off-campus. For assistance visit uh.edu/caps, call 713-743-5454, or visit a Let's Talk location in-person or virtually. Let's Talk are daily, informal confidential consultations with CAPS therapists where no appointment or paperwork is needed.

Need Support Now? - If you or someone you know is struggling or in crisis, help is available. Call CAPS crisis support 24/7 at 713-743-5454, or the National Suicide and Crisis Lifeline: call or text 988, or chat 988lifeline.org.

ANTI-DISCRIMINATION AND SEXUAL MISCONDUCT POLICIES: UHLC and the University of Houston are committed to maintaining and strengthening an educational, working, and living environment where students, faculty, staff, and visitors are free from discrimination and sexual misconduct. If you have experienced an incident of discrimination or sexual misconduct, a confidential reporting process is available to you. For more information, please refer to the University System's Anti-Discrimination Policy SAM 01.D.07 and Sexual Misconduct Policy SAM 01.D.08.

Per the UHS Sexual Misconduct Policy, your instructor is a "responsible employee" for reporting purposes

under Title IX regulations and state law and must report incidents of sexual misconduct (sexual harassment, non-consensual sexual contact, sexual assault, sexual exploitation, sexual intimidation, intimate partner violence, or stalking) about which they become aware to the Title IX office. Please know there are places on campus where you can make a report in confidence. You can find more information about resources on the Title IX website at https://uh.edu/equal-opportunity/title-ix-sexual-misconduct/resources/.

REASONABLE ACADEMIC ADJUSTMENTS/AUXILIARY AIDS: The University of Houston is committed to providing an academic environment and educational programs that are accessible for its students. Any student with a disability who is experiencing barriers to learning, assessment or participation is encouraged to contact the Justin Dart, Jr. Student Accessibility Center (Dart Center) to learn more about academic accommodations and support that may be available to them. Students seeking academic accommodations will need to register with the Dart Center as soon as possible to ensure timely implementation of approved accommodations. Please contact the Dart Center by visiting the website: https://uh.edu/accessibility/ calling 713-743-5400, or emailing jdcenter@Central.UH.EDU.

The Student Health Center offers a Psychiatry Clinic for enrolled UH students. Call 713-743-5149 during clinic hours, Monday through Friday 8 a.m. - 4:30 p.m. to schedule an appointment.

The A.D. Bruce Religion Center offers spiritual support and a variety of programs centered on well-being.

The Center for Student Advocacy and Community (CSAC) is where you can go if you need help but don't know where to start. CSAC is a "home away from home" and serves as a resource hub to help you get the resources needed to support academic and personal success. Through our Cougar Cupboard, all students can get up to 30 lbs of FREE groceries a week. Additionally, we provide 1:1 appointments to get you connected to on- and off-campus resources related to essential needs, safety and advocacy, and more. The Cougar Closet is a registered student organization advised by our office and offers free clothes to students so that all Coogs can feel good in their fit. We also host a series of cultural and community-based events that fosters social connection and helps the cougar community come closer together. Visit the CSAC homepage or follow us on Instagram: @uh_CSAC and @uhcupbrd. YOU belong here.

RECORDING OF CLASS: Students may not record all or part of class, livestream all or part of class, or make/distribute screen captures, without advanced written consent of the instructor. If you have or think you may have a disability such that you need to record class-related activities, please contact the Justin Dart, Jr. Student Accessibility Center. If you have an accommodation to record class-related activities, those recordings may not be shared with any other student, whether in this course or not, or with any other person or on any other platform. Classes may be recorded by the instructor. Students may use instructor's recordings for their own studying and notetaking. Instructor's recordings are not authorized to be shared with anyone without the prior written approval of the instructor. Failure to comply with requirements regarding recordings will result in a disciplinary referral to the Dean of Students Office and may result in disciplinary action.

RESOURCES FOR ONLINE LEARNING: The University of Houston is committed to student success and provides information to optimize the online learning experience through our Power-On website (https://uh.edu/power-on/learning/). Please visit this website for a comprehensive set of resources, tools, and tips including: obtaining access to the internet, AccessUH, Blackboard, and Canvas; using your smartphone as a webcam; and downloading Microsoft Office 365 at no cost. For questions or assistance contact UHOnline@uh.edu.

HONOR CODE: The UHLC Honor Code applies to all aspects of this course. You are responsible for knowing all Honor Code provisions and for complying with the Honor Code. Please inquire if you have any questions regarding how the Honor Code's provisions apply to specific activities or situations related to this course. Your continuing enrollment in this course is deemed to be a pledge by you under the Honor Code to comply with the Honor Code in relation to this course and to comply with the instructions in the course syllabus.

AI GENERATED TEXT OR OTHER WORK PRODUCT: The software technology known as artificial intelligence has recently expanded its capability to generate text and other work product (AI Generated Work Product). Examples of the technology include what are known as "generative" large language models (LLMs).. These systems can generate text and other work product in response to prompts and/or input of other text/documents/code/images. The output, the AI Generated Work Product, appears to have human-mimicking "intelligence" and is thus potentially usable as a substitute for material one might generate themselves. AI Generated Work Product can include computer code or programs as well as human language content and materials.

Your continuing enrollment in this course obligates you to not knowingly prompt, generate, or use any AI Generated Work Product in relation to any activity or assessment in this course. This applies to AI Generated Work Product from yourself or others. This obligation includes that your assessment materials and work product (e.g., your written exam and class participation) in the course be without any contribution from AI Generated Work Product. This obligation specifically extends to not plagiarizing any writing required of you for assessment in the course: AI Generated Work Product will be treated as from another/others in applying the plagiarism policy to this course. The term "assessment" means any material or work product generated for this course that is submitted to the instructor or presented in a class session, regardless of whether it is graded content or not. Assessments include the final exam. AI Generated Work Product may not be used in the development or drafting of any assessments created by you The parts of the Honor Code that refer to unauthorized materials or aid are specifically prohibited from any use of AI Generated Work Product in this course unless specified as an exception below.

The following AI Generated Work Product uses are exceptions to the preceding prohibition. The exceptions' intent is to allow the generation and use of AI Generated Work Product for specific, narrowly defined activities related to this course:

- You may generate and use AI Generated Work Product for class preparation, although you must disclose the full extent of that use if your instructor asks.
- You may generate and use AI Generated Work Product for study supplements to aid with general understanding of course content. This could take different forms that include creating examples or explanations of a concept, generation of diagrams and flow charts, "gamification" of course content, flash cards for study, or sample questions and answers.
- You may generate and use AI Generated Work Product for an outline that summarizes the course content.

DIVERSITY, INCLUSION, AND WELLNESS: This course is an inclusive learning space. UHLC is committed to ensuring inclusive online and classroom learning spaces, where you'll be treated with respect and dignity, and where everyone is provided the equitable opportunity to participate, to contribute, and to succeed.

In this course, all students are welcome regardless of socio-economic status, age, race, ethnicity, disability, religion, national origin, veteran's status, sex, sexual orientation, gender identity, gender expression, political affiliation, marital status and other diverse identities that we each bring to class. Our class is richer for this diversity.

Inclusive learning spaces facilitate the innovation and creative thought that enhance student success. This success arises from the participation, support, and understanding of you and your colleagues. The professor encourages you to speak up and to share your views, but also understand that you are doing so in a learning environment in which we're all expected to engage respectfully and with regard to the dignity of all others.

If you feel like your class performance is impacted in any way by your experiences inside or outside of class, please reach out to me. I want to be a resource for you. If you feel more comfortable speaking with someone besides me, the Office of Student Affairs (OSA) is an excellent resource.

Your suggestions are encouraged and appreciated. Please let me know ways to improve the effectiveness of this course for you personally, or for other students or student groups.

PRONOUNS: The professor wants to address each of you in a manner that corresponds to your identity. Recognizing that mistakes may unfortunately happen, chosen names and preferred pronouns—including non-binary ones such as they/them/their—will be respected in our classroom. Please feel free to reach out to me at any time if you want to make me aware of your chosen name or preferred pronoun or if you have concerns about how the professor or your classmates address you.

SYLLABUS CHANGES: Please note that the instructor may need to make modifications to this course syllabus. Notice of any such changes will be announced as quickly as possible via email.

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