





OPEN PEER REVIEW

The Rights of Third Parties Under the Principles and Rules Governing the Decision-Making Process in Joint Stock Companies in Iranian and English Law

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1. Round 1

1.1. Reviewer 1

Reviewer:

The research question is well-posed but would be clearer if accompanied by a brief statement of the article's methodology and scope at the end of the introduction, setting expectations for the reader.

The method description is minimal. Please elaborate on what types of sources were reviewed (e.g., judicial precedents, statutory texts, scholarly commentaries) and how comparative analysis was conducted.

The sentence "companies are formed for the participation of individuals" oversimplifies the legal and economic rationale for incorporation. Consider refining this with doctrinal precision.

The sentence "transparency serves as the necessary tool for enabling legal follow-up actions..." is insightful but would be strengthened by citing a specific case or academic source demonstrating this link in Iranian law.

In the discussion on auditors' roles, you note "registration of assembly resolutions." It would help to provide a practical example where this principle directly protected a third party or led to annulment of decisions.

The quote from Issaei Tafreshi is important, but its legal significance should be more clearly analyzed. How does this view affect third-party reliance on board decisions?

When referencing capital as "collateral for the company's creditors," it would be helpful to cite a judicial case or statutory provision demonstrating this protective function in practice.

The section discusses indirect shareholders but does not explain how English courts have adjudicated disputes involving indirect shareholder rights. Including such a precedent would enhance depth.

The mention of *Watson v. Union Music Ltd.* and *South Entertainment Ltd. v. Wexton Entertainment Ltd.* is helpful. However, these cases should be more fully contextualized—what exactly did the courts rule?

The enumeration of good faith characteristics is useful. However, consider directly quoting from a legal precedent or academic commentary that defines “good faith” in this context.

The phrase “...different economic systems from the outset...” is overly general. Specify the nature of these differences (e.g., centralized vs. liberal market) and their legal consequences.

Authors revised the manuscript and uploaded the document.

1.2. Reviewer 2

Reviewer:

The statement “there is a need to revise the laws...” is normative. Please clarify whether this is the authors' opinion or derived from an identified legal gap supported by references or case studies.

The phrase “the greater the number of partners in a company...” generalizes about shareholder behavior. Consider citing empirical or legal sources to support this assertion.

This section would benefit from clearer articulation of how decisions made beyond the company’s object clause can be challenged by third parties under Iranian law—perhaps include an illustrative case.

The “Duomatic Principle” is well-described, but its relevance to public companies remains unclear. Please clarify whether and how this principle applies (or doesn’t) in public vs. private companies.

The paragraph would benefit from a clearer explanation of how this principle aids third parties—i.e., does it offer grounds for compensation or merely establish criminal liability?

Authors revised the manuscript and uploaded the document.

2. Revised

Editor’s decision: Accepted.

Editor in Chief’s decision: Accepted.