



To: Unathi Ngwenya | Chief Financial Officer

From: Stadi Mngomezulu | Deputy Director-General

Division: Corporate Services

Doc ref: FM- 13-04-2026

Date: 13 April 2026

APPROVAL TO DEVIATE FROM SCM PROCESS FOR 3 MONTHS ON A MONTH-TO-MONTH PARKING LEASE RENEWAL WITH KARABO PARKING MANAGEMENT (PTY) LTD

1. PURPOSE

- 1.1 The purpose of this memorandum is to request approval of the Chief Financial Officer, for a deviation from the normal Supply Chain Management (SCM) processes to allow for the renewal of the existing parking lease with Karabo Parking Management (Pty) Ltd on a month-to-month basis for a period of up to four (3) months.

2. BACKGROUND AND DISCUSSION

- 2.1 National Treasury has historically leased parking bays at Van Erkom Parking Arcade to support staff parking requirements while operating within the Pretoria CBD. The facility has consistently been utilised due to its proximity and convenience to the Department's offices at 40 Church Square and previously at 240 Madiba Street, as well as the scarcity of secure parking within the CBD. The original lease commenced on 1 June 2021 (**Annexure A**).
- 2.2 Following its expiry, the lease referred to above has been renewed through successive short-term, arrangements aligned to evolving operational and accommodation requirements, including the relocation to Riverwalk Office Park. The Department is currently operating in terms of the most recent month-to-month extension (**Annexure B**), which will expire on 30 April 2026.
- 2.3 The relocation to the new offices at Riverwalk Office Park has not yet been finalized, requiring continuity of parking arrangements for staff.
- 2.4 The previously approved memo for a 12-month contract was reviewed by the DG and only three months were granted (**Annexure C**).
- 2.5 While the relocation to Riverwalk Office Park has not yet been finalized, post-move operational arrangements, such as hybrid working patterns and transport logistics are still to be implemented. As a result, the long-term parking demand remains uncertain.

3. MOTIVATION FOR THE EXTENSION

- 3.1 The proposed month-to-month extension is motivated by the following considerations:
 - 3.1.1 Operational continuity: The parking facility remains critical to ensuring uninterrupted operations during the transition period. Any lapse in parking arrangements would negatively affect staff attendance, punctuality, and overall productivity
 - 3.1.2 Continued provision of shuttle services: National Treasury will continue to operate a shuttle service post-relocation. Officials utilizing the shuttle service will continue to require access to designated parking facilities at or near the current pick-up points. Retaining this facility ensures that the shuttle service can function effectively without disruption.
 - 3.1.3 The Managed and monitored utilization: The number of bays retained has been deliberately kept at a reduced and cost-contained level to allow the Department to closely monitor actual utilisation trends. This approach supports evidence-based decision-making and prevents over-commitment to facilities that may not be fully utilized in the medium term.
 - 3.1.4 Flexibility in a changing operating environment A month-to-month arrangement provides the necessary flexibility to respond to potential material changes in circumstances, including:
 - 3.1.4.1 Further adjustments to hybrid and remote working arrangements.
 - 3.1.4.2 Changes in staff headcount or spatial utilization.
 - 3.1.4.3 Accelerated or delayed stabilization of the Riverwalk occupation.
 - 3.1.4.4 Potential rationalization of transport and parking requirements.
 - 3.1.5 This flexibility is not achievable through a long-term fixed lease and is therefore considered the most prudent approach at this stage.
 - 3.1.6 Limited alternatives Parking facilities in close proximity to National Treasury operations remain scarce. Conducting a full competitive procurement process for a short-term and potentially declining requirement would not be cost-effective and may expose the Department to operational risk.

4. LEGISLATIVE AND POLICY FRAMEWORK

- 4.1 The Director-General as accounting officer is empowered to approve the requested deviation in terms of the following:
- 4.2 Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999) Section 38(1)(a)(iii) of the PFMA places responsibility on the Accounting Officer to ensure that the department maintains an appropriate procurement and provisioning system that is fair, equitable, transparent, competitive and cost-effective, while allowing for justified deviations where circumstances so require.
- 4.3 Treasury regulation 16A6.4 permits the accounting officer to dispense with competitive bidding processes in cases where it is impractical, provided that the reasons for such deviation are recorded and approved by the accounting officer.
- 4.4 National Treasury Instruction Notes and SCM Policy Instruction Note 3 of 2021/22 allows procurement through alternative means, including deviations, in exceptional or urgent circumstances. The National Treasury SCM Policy further supports deviations where services are essential, time-sensitive, and limited in availability. Given the transitional nature of the

requirement, the operational risks involved, and the need for short-term flexibility, the proposed deviation is compliant with the above framework.

5. FINANCIAL IMPLICATIONS

5.1 TABLE SHOWING COSTS FOR PARKING

FEES			
Site	No. of Bays	Cost per parking bay (R,000)	Monthly cost
Van Erkom Arcade	150 Parking Bays	1 300	R195 000.00
Total for 3 months			R585 000.00

5.2 The total cost to be paid in the proposed contract offer is R585 000.00 for a period of 3 months on a month-to-month basis (**Annexure D**).

5.3 The Directorate: Facilities Management has funds in the 2026/2027 financial year budget to meet this obligation

6. RECOMMENDATIONS

6.1 It is recommended that the Chief Financial Officer approves a deviation from the normal SCM processes; and renew the parking lease with Karabo Parking Management (Pty) Ltd on a month-to-month basis for a period of up to four (3) months, subject to ongoing monitoring and review of utilization and operational requirements.

Compiled by Kwame Mzileni

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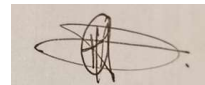
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☐ Recommended with comments

Signature
KWAME MZILENI
Director: Facilities Management
Date:

Or SignHub Signature

Signed by: VUSAMAZULU KWAME MZIL
Signed at: 2026-04-13 10:58:31 +02:00
Reason: Witnessing VUSAMAZULU KWA



☒ Recommended

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Signature

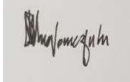
STADI MNGOMEZULU

Deputy Director-General: Corporate Services:

Date:

Or SignHub Signature

Signed by:Mngomezulu Job Stadi
Signed at:2026-04-13 14:48:28 +02:00
Reason:Witnessing Mngomezulu Job Sta



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☐ Not recommended

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Signature

KOENA MAPOTSE

Director Supply Chain Management

Date:

Or SignHub Signature

Signed by:Koena Jeffrey Mapotse
Signed at:2026-04-13 18:29:02 +02:00
Reason:Witnessing Koena Jeffrey Mapots



☒ Approved

☐ Not Approved

☐ Approved with comments

Signature

UNATHI NGWENYA

Chief Financial Officer

Date:

Or SignHub Signature

Signed by:Unathi Ngwenya
Signed at:2026-04-14 13:39:27 +02:00
Reason:Witnessing Unathi Ngwenya





national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

LEASE AGREEMENT

Entered into between:

THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA IN ITS NATIONAL TREASURY

(Herein represented by Stadi Mngomezulu in his capacity as the Deputy Director-General:
Corporate Services, duly authorised hereto)

(Hereinafter referred to as "the Lessee")

And

KARABO PARKING MANAGEMENT (PTY) LTD

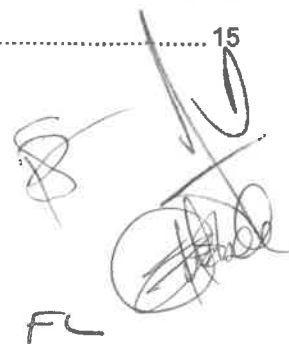
(A private company with registration number: 2012/155415/07, herein represented by
Hannes Botha in his capacity as Director, duly authorised hereto)

(Hereinafter referred to as "the Lessor")

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WHEREBY IT IS AGREED AS FOLLOWS:**1. PREAMBLE**

- 1.1 **WHEREAS**, the Lessee has let Parking Bays located on the Premises to the Lessor since 10 December 2014 and the Parties entered into numerous lease agreements. The latest lease agreement was entered into for a period of 3 (three) years from 1 May 2018 to 30 April 2021 (2018 Agreement) and the 2018 Agreement terminated on 30 April 2021 by effluxion of time.
- 1.2 **AND WHEREAS**, the Lessee wishes to continue leasing the Parking Bays and the Parties have agreed to continue with their relationship, and subsequently agree to enter into this Agreement for a further period of 3 (three) years from 01 June 2021 to 31 May 2024.

NOW THEREFORE, the Parties agree to enter into this Agreement on the terms and conditions as more fully set out herein: -

2. INTERPRETATION AND PRELIMINARY

The headings of the clauses in this Agreement are for the purpose of convenience and reference only and shall not be used in the interpretation of, nor modify nor amplify the terms of this Agreement nor any clause hereof. Unless a contrary intention clearly appears:

2.1 Words importing –

- 2.1.1 any one gender includes the other gender;
- 2.1.2 the singular includes the plural and *vice versa*; and
- 2.1.3 natural persons include created entities (incorporated or unincorporated) and the state and *vice versa*.

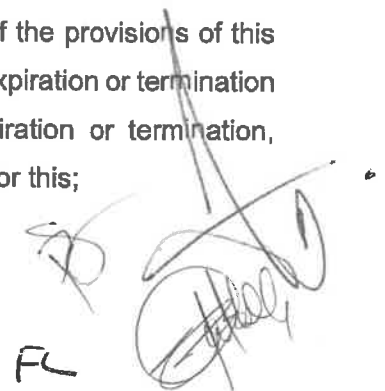
2.2 The following terms shall have the meanings assigned to them hereunder and cognate expressions shall have corresponding meanings, namely –

- 2.2.1 **"Agreement"** means this lease agreement and all annexures hereto;
- 2.2.2 **"Effective Date"** means the date of signature by the last Party signing;
- 2.2.3 **"Lessee"** means the National Treasury as established in terms of section 5 of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- 2.2.4 **"Lessor"** means Karabo Parking Management (Pty) Ltd, a private company with registration number 2012/155415/07, duly registered in terms of the Companies Act, 2008 (Act No. 71 of 2008);

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- 2.2.5 **"Parties"** means the Lessor and the Lessee; and a **"Party"** means either one of them;
- 2.2.6 **"Parking Bays"** means the 530 (five hundred and thirty) unreserved Parking Bays situated on the Premises and let by the Lessor to the Lessee in terms of this Agreement;
- 2.2.7 **"Premises"** means premises in which the Parking Bays are situated, being the Van Erkom Arcade Building situated at 226 Frances Baard Street, Pretoria, and
- 2.2.8 **"Termination Date"** means 3 (three) years from the Effective Date, unless terminated earlier in terms of this Agreement.
- 2.3 Any reference to **"date of signature"** shall be read as meaning a reference to the date on which the last signatory has signed this Agreement;
- 2.4 Any reference to an enactment as at the date of signature hereof and as amended or re-enacted from time to time;
- 2.5 When any number of days is prescribed in this Agreement, same shall be reckoned exclusive of the first and inclusive of the last day, unless the last day falls on a Saturday, Sunday or a public holiday, in which case the last day shall be the next succeeding day which is not a Saturday, Sunday or a public holiday;
- 2.6 Where figures are referred to in numerals and in words, if there is any conflict between the two, the words shall prevail;
- 2.7 Expressions defined in this Agreement shall bear the same meanings in schedules or annexures to this Agreement which do not themselves contain their own definitions;
- 2.8 Where any term is defined within the context of any particular clause in this Agreement, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the meaning ascribed to it for all purposes in terms of this Agreement, notwithstanding the fact that such term has not been defined in this interpretation clause;
- 2.9 The expiration or termination of this Agreement shall not affect such of the provisions of this Agreement as expressly provided that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the clauses themselves do not expressly provide for this;

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- 2.10 The rule of construction that the contract shall be interpreted against the Party responsible for the drafting or preparation of the Agreement, shall not apply; and
- 2.11 Any reference in this Agreement to a Party shall, if such Party is liquidated, be applicable also to and binding upon that Party's liquidator.

3. LEASE

- 3.1 The Lessor hereby lets to the Lessee who hires from the Lessor, with effect from the Effective Date, the Parking Bays, subject to the provisions of this Agreement.
- 3.2 The number of Parking Bays may be increased or decreased based on the Lessee's parking requirements.

4. DURATION

This Agreement shall commence on the Effective Date and shall continue for a period of 3 (three) years terminating on the Termination Date.

5. RENEWAL OPTION

- 5.1 The Lessee shall be entitled to renew this Agreement for further periods as agreed between the Parties on the same terms and conditions as contained in this Agreement.
- 5.2 The right of renewal shall be exercised by notice in writing from the Lessee to the Lessor given and received at least 2 (two) months prior to the date on which the renewal period is to commence, and shall lapse if not so exercised.

6. RENTAL

- 6.1 The Lessee shall pay to the Lessor, as rental for the Parking Bays for the duration of this Agreement a total amount of R17 247 545.72 (seventeen million, two hundred and forty-seven-thousand, five hundred and forty-five rands seventy-two cents) plus VAT payable as follows:

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Period	Monthly rental excl. VAT	VAT @15%	Total p/m (incl. VAT)	Total per year
01 June 2021- 31 May 2022	R444 900.00	R66 735.00	R 511 635.50	R6 139 626.00
01 June 2022- 31 May 2023	R478 267.39	R71 740.11	R550 007.50	R6 600 090.00
01 June 2023- 31 May 2024	R514 126.96	R77 119.04	R591 246.80	R7 094 961.60
			TOTAL FOR 3 YEARS	R19 834 677.60

- 6.2 The Lessor shall furnish the Lessee with a written tax invoice by no later than the 20th calendar day of the month preceding the month being invoiced.
- 6.3 The monthly rental shall be payable in advance by no later than the 10th day of each and every month after having received of a valid written tax invoice from the Lessor as stipulated in clause 6.2 above.
- 6.4 The Lessor shall submit invoices to scminvoices@treasury.gov.za.
- 6.5 The Lessee shall effect all payments into the Lessor's bank account, the details of which are as follows:

Account Holders Name: Karabo Parking Management (Pty) Ltd

Bank Name: Standard Bank

Branch Name: Menlyn

Branch Code: 01234500

Account number: 303294752

7. DEPOSIT

- 7.1 It is recorded that the Lessee paid a deposit in the amount of R60 000.00 (sixty thousand rand) to the Lessor which deposit the Lessor may apply, in whole or part, in meeting any payment due by the Lessee to the Lessor at any time during the lease period or after the termination of this Agreement.

7.2 The deposit must be kept in a savings account and any interest accrued in respect thereof will be for the benefit of the Lessee.

7.3 As soon as all the obligations of the Lessee to the Lessor have been discharged following the termination of this Agreement, the Lessor shall refund to the Lessee, so much of the deposit as has not been applied in terms of the above provisions together with the interest referred to in clause 7.2 above.

8. ACCESS CARDS

The Lessee agrees to return to the Lessor any and all access cards issued to the Lessee within a reasonable time after the termination of this Agreement.

9. OCCUPATION AND USE OF THE PARKING BAYS

9.1 The Lessor shall give the Lessee occupation of the Parking Bays on the Effective Date.

9.2 The Lessee shall in terms of this Agreement have 24 (twenty-four) hour access to the Parking Bays without any limitation with regard to the time or day and shall be entitled to use the Parking Bays on a daily basis and at all times.

9.3 The Lessor shall not be liable for any loss or damage to any vehicle or any article in it or any other things, and for any other injury to or the death of any person. The Parking Bays are used at own risk.

10. CESSION AND SUBLETTING BY THE LESSEE

The Lessee shall not, without the prior written consent of the Lessor, which consent shall not unreasonably be withheld:

10.1 cede, assign, transfer, alienate or otherwise dispose of its rights or obligations under this Agreement;

10.2 give up occupation of the Parking Bays or a portion thereof; or

10.3 sub-let the Parking Bays or any portion thereof.

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11. SALE OF PREMISES

- 11.1 Transfer of the Premises from the landlord pursuant to a sale thereof shall not in any way affect the validity of this Agreement. It shall accordingly, upon registration of transfer of the Premises into the name of the purchaser, remain of full force and effect save that the purchaser shall be substituted as lessor and acquire all rights and be liable to fulfil all obligations which the Lessor, enjoyed against or was liable to fulfil in favour of the Lessee in terms of this Agreement.
- 11.2 Nothing shall prevent the Lessor from advertising the Premises as "for sale" or as "to let" as long as it does not disturb the Lessee in its use and enjoyment of the Parking Bays.

12. TERMINATION

- 12.1 The Lessee shall be entitled to immediately terminate this Agreement if any one or more of the following occur:
- 12.1.1 The Lessor conducts itself in a manner which will justify termination according to the common law;
 - 12.1.2 The Lessor conducts itself in a manner which brings or is likely to bring the Lessee into disrepute;
 - 12.1.3 The Lessor breaches any term of this Agreement and fails to remedy such breach within 14 (fourteen) days, taking into consideration the nature of the breach and the consequences thereof,

Provided that the Lessee shall have given the Lessor 14 (fourteen) days' written notice of its intention to terminate.

- 12.2 The Lessee shall be entitled to immediately terminate this Agreement if any one or more of the following occur:
- 12.2.1 The Lessor is provisionally or finally liquidated, making it impossible for the Lessor to perform its functions in terms of this Agreement;
 - 12.2.2 The Lessor enters into settlement arrangements with its creditors; or
 - 12.2.3 The Lessor commits an act of insolvency.

- 12.3 Notwithstanding the provisions above, either Party may terminate this Agreement by giving the other Party 1 (one) calendar months' written notice to that effect.

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13. OBLIGATIONS OF THE LESSOR

The Lessor shall:

- 13.1 Deploy security officers at the Premises in which the Parking Bays are situated;
- 13.2 Maintain lighting at the Premises in which the Parking Bays are situated;
- 13.3 Ensure that the access control systems / equipment are maintained and in good working order;
- 13.4 Generally, maintain the Parking Bays;
- 13.5 Provide the Lessee with additional access cards, upon request of the Lessee;
- 13.6 Interact with the Lessee on a regular basis;
- 13.7 Timeously submit to the Lessee such information and reports as may be required in connection with the provision of the Parking Bays;
- 13.8 Not engage in any conduct which is calculated to or has or may have the effect of bringing the Lessee or any of its employees into disrepute; and
- 13.9 Disclose to the Lessee all acts or omissions which may constitute a breach by the Lessor of its obligations to the Lessee.

14. OBLIGATIONS OF THE LESSEE

The Lessee shall:

- 14.1 Co-operate and assist the Lessor in performing its obligations in terms of this Agreement;
- 14.2 Comply with all rules relating to the Parking Bays as at the date of signature hereof;
- 14.3 Effect payment of the monthly rental timeously; and
- 14.4 Give the Lessor timeous instructions.



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15. INDEMNITY

The Lessee shall not be liable for any act or omission on the part of the Lessor in the rendering of the services under this Agreement (whether negligent or otherwise) which causes injury, loss or damage to any employee, officer or visitor of the Lessee and or any third party (whether direct, indirect or consequential) and the Lessor hereby irrevocably indemnifies and holds the Lessee harmless against any claims of whatsoever nature in this regard.

16. THIRD PARTY WORK

This Agreement shall in no way limit the Lessor's right to conduct any business with and/or for any third parties and to enter into contracts of any nature with any third parties, provided, firstly, that the Lessee's obligations in terms of this Agreement shall always be timeously and satisfactorily fulfilled, and secondly that the Lessor shall not conduct any business with and/or for any third party whose interests may conflict with the Lessee's interests. In cases of scheduling conflicts regarding the rendering of the services, the Lessor shall give priority to the services provided to the Lessee under this Agreement.

17. GOOD FAITH

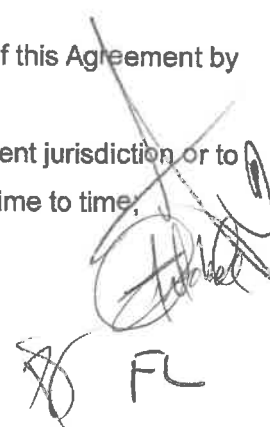
Each Party shall be bound to show the utmost good faith to the other in regard to all matters arising from or in terms of this Agreement.

18. CONFIDENTIALITY

18.1 The Lessor shall not for the duration of this Agreement or thereafter, regardless of the reasons for termination, use for its benefit or the benefit of any other person or communicate or divulge to any unauthorised person any confidential matter or information relating to the business affairs, processes, client lists and or professional connections of the Lessee or any of its clients.

18.2 This obligation shall not apply to any confidential information which-

- 18.2.1 is known to, or in the possession of, the Lessor prior to the disclosure thereof by the Lessee;
- 18.2.2 is, or become publicly known otherwise than pursuant to breach of this Agreement by the Lessor;
- 18.2.3 is disclosed by the Lessor to satisfy an order of a court of competent jurisdiction or to comply with the provisions of any law or regulation in force from time to time.

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18.2.4 is disclosed to a third party pursuant to the prior written authorization of the Lessee; and

18.2.5 is received from a third party in circumstances that do not result in a breach of the provisions of this Agreement.

19. NON-PARTNERSHIP

Nothing in this Agreement shall be deemed to constitute either the Lessee or the Lessor the partner of the other, or constitute either of those Parties the agent or legal representative of the other. It is not the intention of the Parties to create, nor shall this Agreement be construed to create any commercial or other partnership. Neither the Lessee nor the Lessor shall have any authority to act, or to assume any obligation or responsibility on behalf of the other of them.

20. WARRANTIES

The Lessor hereby warrants that:

20.1 The Parking Bays are fit or the purposes for which it is let; and

20.2 It has the capacity, skill and experience to render the services and perform all related functions expected of it in terms of this Agreement.

21. FORCE MAJEURE

21.1 If, by reason of any event of *force majeure*, any of the Parties to this Agreement will be delayed in, or prevented from, performing any of its obligations in terms of this Agreement (otherwise than as to the payment of money), then such delay or non-performance shall not be deemed to be a breach of this Agreement and no damages may be claimed by the other Party by reason thereof.

21.2 Should the exercise of the rights and obligations under this Agreement be materially hampered, interrupted or interfered with by reason of any event of *force majeure*, then the obligation to the delayed Party shall be suspended during the period of such hampering, interruption or interference consequent upon such event or events and shall be postponed for a period of time equivalent to the period or periods of suspension before being reinstated, and both Parties shall use their best endeavours to minimize and reduce any period of suspension occasioned by any of the aforesaid events.

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21.3 The expression "an event of *force majeure*" shall mean and include fire, flood, casualty, satellite failure, lockout, labour condition, industrial action of any kind, unavoidable accident, national calamity or riot, act of God, enactment of any Act of Parliament or the act of any other legally constituted authority, or any cause or event arising out of or attributable to war, or terrorist activity or any other cause or event whatsoever outside the control of the Parties.

21.4 Notwithstanding the above, such events of *force majeure* shall only be relevant if they take place within the borders of the Republic of South Africa and have a direct effect on the Services to be rendered in terms of this Agreement.

22. DISPUTE RESOLUTION

Should any disputes, disagreements or claims arise between the Parties concerning this Agreement, either Party may institute action in any Court with competent jurisdiction.

23. IMPLEMENTATION

23.1 The individuals with overall responsibility for implementation of this Agreement are:

23.1.1 For the Lessee: Kwame Mzileni, and

23.1.2 For the Lessor: Hannes Botha

23.2 The Parties undertake to do all such things, perform all such acts, take all such steps and procure the doing of all such things, the performance of all such acts, and the taking of all such steps as may be necessary to give effect to the terms and conditions under the import of this Agreement.

24. SEVERABILITY

Any provision in this Agreement which is or may become illegal, invalid or unenforceable in any jurisdiction affected by this Agreement shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be treated *pro non scripto* and severed from the balance of this agreement, without invalidating the remaining provisions of this agreement or affecting the validity or enforceability of such provisions in any other jurisdiction.

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25. DOMICILIUM CITANDI ET EXECUTANDI

25.1 The Parties choose as their *domicilia citandi et executandi* for all purposes under this Agreement, whether in respect of Court process, notices or other documents or communications of whatsoever nature (including the exercise of any option), the following addresses:

25.1.1 The Lessor

Physical: 365 Lois Avenue, Waterkloof Glen, 0181

Postal: P.O. BOX 11211, the Tramshed, 0126

Telefax: 086 540 3956

E-mail: zandre@karaboparking.co.za

25.1.2 The Lessee

Physical: 3rd Floor, 240 Madiba Street, Pretoria, 0002

Postal: Private Bag X115, Pretoria, 0001

Tel: (012) 315 5022 / 076 481 1862

E-mail: kwame.mzileni@treasury.gov.za

25.2 Any notice or communication required or permitted to be given in terms of this Agreement shall be valid and effective only if in writing but it shall be competent to give notice by e-mail.

25.3 Either Party may by notice to any other Party change the physical address chosen as its *domicilium citandi et executandi* vis-à-vis that Party to another physical address provided that the change shall become effective vis-à-vis that addressee on the 5th (fifth) day from the receipt of the notice by the addressee.

25.4 Any notice to a Party –

25.4.1 sent by prepaid registered post in a correctly addressed envelope to it at an address chosen as its *domicilium citandi et executandi* to which post is delivered shall be deemed to have been received on the 5th (fifth) day after posting (unless the contrary is proved);

25.4.2 delivered by hand to a responsible person during ordinary business hours at the physical address chosen as its *domicilium citandi et executandi* shall be deemed to have been received on the day of delivery; or

25.4.3 sent by e-mail to its chosen e-mail address, shall be deemed to have been received on the date of despatch (unless the contrary is proved).

25.5 Notwithstanding anything to the contrary herein contained a written notice or communication actually received by a Party shall be an adequate written notice or communication to it notwithstanding that it was not sent to or delivered at its chosen *domicilium citandi et executandi*.

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26. WHOLE AGREEMENT, NO AMENDMENT

26.1 This Agreement constitutes the whole Agreement between the Parties relating to the subject matter hereof.

26.2 No amendment or consensual cancellation of this Agreement or any provision or term hereof or of any agreement or other document issued or executed pursuant to or in terms of this Agreement and no settlement of any disputes arising under this Agreement and no extension of time, waiver or relaxation or suspension of any of the provisions or terms of this Agreement or of any agreement or other document issued pursuant to or in terms of this Agreement shall be binding unless recorded in a written document signed by the Parties (or in the case of an extension of time, waiver or relaxation or suspension, signed by the Party granting such extension, waiver or relaxation). Any such extension, waiver or relaxation or suspension which is so given or made shall be strictly construed as relating strictly to the matter in respect whereof it was made or given.

26.3 No extension of time or waiver or relaxation of any of the provisions or terms of this Agreement or any agreement or other document issued or executed pursuant to or in terms of this Agreement, shall operate as an estoppel against any Party in respect of its rights under this Agreement, nor shall it operate so as to preclude such Party thereafter from exercising its rights strictly in accordance with this Agreement.

26.4 To the extent permissible by law no Party shall be bound by any express or implied term, representation, warranty, promise or the like not recorded herein, whether it induced the contract and/or whether it was negligent or not.

27. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Republic of South Africa and all disputes, actions and other matters relating thereto shall be determined in accordance with such laws.

Handwritten signature and initials in the bottom right corner of the page. The signature is a large, stylized 'X' shape. Below it, there are initials 'R' and 'P'.

28. COUNTERPARTS

This Agreement may be executed in more than one counterpart, each of which shall be deemed to constitute an original of this Agreement and which taken together shall constitute one and the same agreement.

SIGNED by the Parties and witnessed on the following dates and at the following places respectively:

DATEPLACEWITNESSSIGNATURE

31/05/2021 Pretoria

1.

2.

For: **THE GOVERNMENT
OF THE REPUBLIC OF
SOUTH AFRICA IN ITS
NATIONAL TREASURY**

1.

2.

For: **KARABO PARKING
MANAGEMENT (PTY) LTD**

FL



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

ADDENDUM TO THE AGREEMENT

Entered into between

**THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA IN ITS NATIONAL
TREASURY**

(Herein represented by Stadi Mngomezulu in his capacity as Deputy Director-General:
Corporate Services, duly authorized thereto)
(Hereinafter referred to as "the National Treasury")

And

KARABO PARKING MANAGEMENT (PTY) LTD

(A private company with registration number: 2012/155415/07 herein represented by Hannes
Botha in his capacity as Director, duly authorized thereto)
(Hereinafter referred to as "the Service Provider")

L.M.C

KV PS

WHEREBY IT IS AGREED AS FOLLOWS:

1. PREAMBLE

- 1.1. **WHEREAS**, the Parties entered into the Main Agreement which came into effect on 31 May 2021 in terms of which the Lessor lets 530 Parking Bays at Van Erkom Arcade Building situated at 226 Frances Baard Street to the National Treasury Buildings for a period of 36 (thirty-six) months (until 30 May 2024).
- 1.2. **AND WHEREAS**, the Main Agreement is set to terminate on 30 May 2024, but the Parties wish to extend the Main Agreement on a month-to-month basis for a period not exceeding 31 March 2025 and to reduce the number of Parking Bays from 530 to 150.
- 1.3. **AND WHEREAS**, the Parties have agreed to amend the Main Agreement in order to accommodate the above-mentioned amendment set out in clause 1.2 above.

NOW THEREFORE, the Parties agree as follows:

2. INTERPRETATION AND PRELIMINARY

In this addendum:

- 2.1. **"Main Agreement"** means the Lease Agreement entered into between the Lessee and the Lessor which became effective on 31 May 2021.
- 2.2. Save as prescribed herein, all the provisions pertaining to the interpretation and definition of the words as contained in the Main Agreement shall bear the same meanings herein, and continue to be of full force for its period, and the Main Agreement and its annexures shall continue to be of full force for its period.

3. RECORDAL

- 3.1. This addendum records the terms of the agreement to extend the duration of the Main Agreement and to reduce the number of Parking Bays.

3.2. The amendments set out in this addendum are done in terms of clause 26.2 of the Main Agreement.

3.3. The amendment to the Main Agreement will come into effect on 31 May 2024, notwithstanding the date of signature hereof.

4. AMENDMENT TO THE MAIN AGREEMENT

4.1. Sub-clause 2.2.6 of the Main Agreement is hereby deleted in its entirety and replaced with the following:

"2.2.6 **"Parking Bays"** means the 150 (one hundred and fifty) unreserved Parking Bays situated on the Premises and let by the Lessor to the Lessee in terms of this Agreement."

4.2. Sub-clause 2.2.8 of the Main Agreement is hereby deleted in its entirety and replaced with the following:

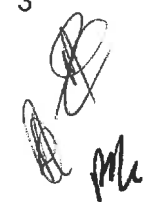
"2.2.8 **"Termination Date"** means 31 March 2025, unless terminated earlier in terms of this Agreement."

4.3. Clause 5 of the Main Agreement is hereby deleted in its entirety and replaced with the following:

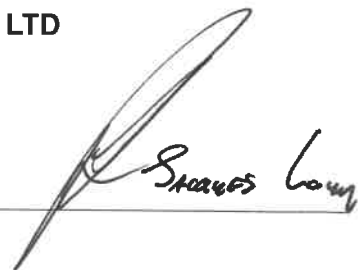
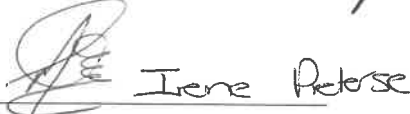
"This Agreement shall commence on the Effective Date and shall continue until Termination Date."

4.4. Sub- clause 6.1 of the Main Agreement is hereby deleted in its entirety and replaced with the following:

"The Lessee shall pay to the Lessor, as rental for the Parking Bays for the duration of this Agreement a total amount of R180,000.00 (VAT included) per month."

3
L.M.C
KV PS


SIGNED by the Parties and witnessed on the following dates and at the following places respectively:

<u>DATE</u>	<u>PLACE</u>	<u>WITNESS</u>	<u>SIGNATURE</u>
●			For: THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA IN ITS NATIONAL TREASURY
22/05/2024	PRETORIA	1. 	
		2. 	
			For: KARABO PARKING MANAGEMENT (PTY) LTD
21/05/2024	Waterkloof Glen	1. 	
		2. 	



public works

Department:
Public Works
REPUBLIC OF SOUTH AFRICA

PROCUREMENT OF ALTERNATIVE ACCOMMODATION FOR NATIONAL TREASURY P.E.P

<u>MILESTONE</u>	<u>ESTIMATED TIME</u>	
1. COMPILE AND FINALISE SPECIFICATIONS	14/03/2024	
2. APPROVE BID DOCUMENTATION	04/04/2024	IN THE CASE WHERE NBAC REFERRES SUBMISSION TO PROBITY AUDIT THE TIME WILL BE EXTENDED BY 3 WEEKS
3. COMPILE BID ADVERT AND ADVERTISE	19/04/2024	
4. BID CLOSING DATE	10/05/2024	
5. BID EVALUATION MEETING	24/05/2024	
6. SITE VIEWING OF THE RESPONSIVE TENDERS	07/06/2024	
7. BID EVALUATION MEETING FOR AWARD	21/06/2024	
8. SUBMIT TO NBAC FOR ADJUDICATION AND APPROVAL	28/06/2024	
9. AWARD TENDER AND COMPILE LEASE AGREEMENT	12/07/2024	
10. APPROVAL OF CONTRACT BY LEGAL SERVICES	26/07/2024	
11. APPROVAL OF CONTRACT BY HEAD OFFICE	08/08/2024	
12. SIGNING OF CONTRACT BY SERVICE PROVIDER	30/08/2024	
13. TENANT INSTALLATION PROJECT	6 MONTHS	
14. OCCUPATION	01/03/2025	OR ON COMPLETION OF T.I

Lee Schoeman

From: Brenda Lesele <brenda@karaboparking.co.za>
Sent: 26 March 2025 14:31
To: Kwame Mzileni; Hannes Botha
Cc: Stefan Oosthuizen; Lungani Cele; Lawrence Maradwa; Harry van der Westhuizen; Tshego Bosigo
Subject: RE: Lease Renewal Karabo Parking

Important: This email originated from an external sender. Please do not click on email links or open attachments you did not expect. When in doubt, please contact the ICT Service Desk.

Good day
This is to confirm that the April and May invoices will be at R180 000.00 for 150 bays
Thank you
Regards

Brenda Lesele
Admin Assistant
+27 12 881 4142 | +27 87 806 5390
brenda@karaboparking.co.za
www.karaboparking.co.za



From: Kwame Mzileni <Kwame.Mzileni@treasury.gov.za>
Sent: Wednesday, 26 March 2025 12:58
To: Hannes Botha <hannes@karaboparking.co.za>
Cc: Brenda Lesele <brenda@karaboparking.co.za>; Stefan Oosthuizen <stefan@karaboparking.co.za>; Lungani Cele <Lungani.Cele@treasury.gov.za>; Lawrence Maradwa <Lawrence.Maradwa@treasury.gov.za>; Harry van der Westhuizen <harry@karaboparking.co.za>; Tshego Bosigo <Tshego.Bosigo@treasury.gov.za>
Subject: RE: Lease Renewal Karabo Parking

Good Day Hannes,

Kindly note that I have since received the invoice for April 2025 notwithstanding the expiry noted in my correspondence below. For ease of process, I request confirmation that the rates will remain at **R180 000.00 for 150 bays per month** for the successive month of April and May 2025, respectively.

Your urgent response and cooperation will be highly appreciated.

Kind Regards

Kwame Mzileni
Acting Director: Facilities Management
Directorate: Facilities Management
Corporate Services
Tel: (012) 315 5022, Cell:+27 76 481 1862, Fax: (012) 315 5420
email: kwame.Mzileni@treasury.gov.za
website: www.treasury.gov.za



From: Hannes Botha <hannes@karaboparking.co.za>
Sent: Tuesday, 25 March 2025 17:24
To: Kwame Mzileni <Kwame.Mzileni@treasury.gov.za>
Cc: Brenda Lesele <brenda@karaboparking.co.za>; Stefan Oosthuizen <stefan@karaboparking.co.za>; Lungani Cele <Lungani.Cele@treasury.gov.za>; Joalene Mabasa <Joalene.Mabasa@treasury.gov.za>; Lawrence Maradwa <Lawrence.Maradwa@treasury.gov.za>; Harry van der Westhuizen <harry@karaboparking.co.za>
Subject: RE: Lease Renewal Karabo Parking
Importance: High

Important: This email originated from an external sender. Please do not click on email links or open attachments you did not expect. When in doubt, please contact the ICT Service Desk.

Thank you Kwame, I take note and am looking forward to meeting with you or your team to finalize the matter.

It's always a pleasure working with you.

Kind Regards

Hannes Botha

CEO / Business Owner

+27 82 098 2771 | +27 87 806 390

Email- hannes@karaboparking.co.za

www.karaboparking.co.za



From: Kwame Mzileni <Kwame.Mzileni@treasury.gov.za>
Sent: Tuesday, 25 March 2025 17:19
To: Hannes Botha <hannes@karaboparking.co.za>
Cc: Brenda Lesele <brenda@karaboparking.co.za>; Stefan Oosthuizen <stefan@karaboparking.co.za>; Lungani Cele <Lungani.Cele@treasury.gov.za>; Joalene Mabasa <Joalene.Mabasa@treasury.gov.za>; Lawrence Maradwa <Lawrence.Maradwa@treasury.gov.za>; Harry van der Westhuizen <harry@karaboparking.co.za>
Subject: RE: Lease Renewal Karabo Parking

Good Afternoon Hannes

Hope this mail finds you well.

Kindly note that the contract addendum between the National Treasury and Karabo Parking Management (PTY)LTD will expire on 31 March 2024 (**Annexure A**).

Please accept our sincere apologies for this glaring oversight and we accordingly request that you send us a 2 month to month proposal for the facility so that we process the short term renewal and regularize the contracts for the coming month as a matter of urgency.

Your kind and urgent response will be highly appreciated.

Regards

Kwame Mzileni
Acting Director: Facilities Management
Directorate: Facilities Management
Corporate Services
Tel: (012) 315 5022, Cell:+27 76 481 1862, Fax: (012) 315 5420
email: kwame.Mzileni@treasury.gov.za
website: www.treasury.gov.za



National Treasury EMail Disclaimer



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Private Bag X115, Pretoria, 0001 • 40 Church Square, PRETORIA, 0002 • Tel: +27 12 315 5111, Fax: +27 12 406 9055 • www.treasury.gov.za

MEMORANDUM

TO : UNATHI NGWENYA

FROM : STADI MNGOMEZULU

DIVISION : CORPORATE SERVICES

DOC REF. : FM-03-2025

DATE : 31 MARCH 2025

REQUEST FOR APPROVAL FOR DEVIATION FROM STANDARD PROCUREMENT PROCEDURES ON THE BASIS OF SINGLE SOURCE TO APPOINT KARABO PARKING MANAGEMENT (PTY) LTD FOR PARKING FACILITIES AT VAN ERKOM PARKING ARCADE FOR A PERIOD OF THREE (3) MONTHS.

1. PURPOSE

To request the Chief Financial Officer (CFO) to approve the deviation from standard procurement procedures based on single source to appoint Karabo Parking Management (PTY) LTD for providing parking facilities at Van Erkom Parking Arcade for a period of three (3) months commencing 1 April 2025 to 30 June 2025 pending the amended acquisition schedule from the Department of Public Works and Infrastructure (DPWI) ~~commencing~~.

2. BACKGROUND AND DISCUSSION

- 2.1 On 1 June 2021, National Treasury entered into a Lease Agreement with Karabo Parking Management (PTY) LTD for the provision of parking facilities at Van Erkom Parking Arcade for 530 parking bays. This contract ~~will expire on 31 May April 2024 (Annexure A).~~
expired on 31 May 2024
- 2.2 The agreement mentioned in paragraph 1 above was amended on 24 May 2024 with the number of parking bays being reduced from 530 to 150 on a month-to-month basis for a period not exceeding (1) one month from 1 April 2024 to 31 March 2025. **(Annexure B).**
- 2.3 The addendum above was based on the DPWI's acquisition schedule that showed that the National Treasury relocation to alternate accommodation would be complete by 31 March 2025. However, DPWI has been unable to meet the 31 March 2025 deadline and thus requires National Treasury to renew the parking lease whilst engaging DPWI on a revised relocation date that will assist in negotiating a short to long lease with Karabo Parking Management (PTY) LTD **(Annexure C).**
- 2.4 In light of the above, the National Treasury is compelled to enter directly into a contract with Karabo Parking Management (PTY) LTD until such time that the Department of Public Works and Infrastructure concludes the acquisition of temporary accommodation and

Nkwama wa Tiko • Gwama la Muvhuso • Nasionale Tesourie • Lefapha la Bosetshaba la Matlotlo • uMnyango wezezimali • Litiko leTetimali taVelonkhe • Tirelo ya Matlotlo a Bosetshahaba
Tshebeletso ya Matlotlo a Naha • UMnyango weziMali • Isebe leNgxowa Mali yeLizwe

REQUEST FOR APPROVAL FOR DEVIATION FROM STANDARD PROCUREMENT PROCEDURES ON THE BASIS OF SINGLE SOURCE TO APPOINT KARABO PARKING MANAGEMENT (PTY) LTD FOR PARKING FACILITIES AT VAN ERKOM PARKING ARCADE FOR A PERIOD OF THREE (3) MONTHS.

furnishes the National Treasury with a revised acquisition schedule that will guide the duration of the contract National Treasury can get into with Karabo Parking Management (PTY)LTD.

- 2.5 According to Treasury Regulation 16A.6.4 and paragraph 4.1 of the SCM Instruction, in specific cases where it is impractical to procure goods and services through normal bidding processes, the accounting officer may procure such goods and services through “procurement by other means” provided that the reasons for deviating from competitive bids must be recorded and approved by the accounting officer or accounting authority. The parking facilities are limited around Pretoria CBD and at close proximity to the departmental offices which makes it impractical to follow the normal supply chain management processes.

3. FINANCIAL IMPLICATIONS

- 3.1 National Treasury requires one hundred and fifty (150) parking bays from Karabo Parking Management at a monthly fee of R1200.00 per bay.

No of months	Rate per day	Monthly fee	Total over 3 moths
3	1200	R180 000.00	R540 000.00

- 3.2 The total cost for three months is R540 000.00
- 3.3 The Directorate: Facilities Management has funds in 2025/2026 financial year budgets to meet this obligation.

4. RECOMMENDATIONS

- 4.1 It is recommended that the CFO approves a deviation from the standard procurement procedure on the basis of single sourcing of service providers outlined in paragraph 4 of PFMA Supply Chain Management (SCM) Instruction No. 3 of 2021/22 and Treasury Regulation 16A.6.4 to enable the appointment of Karabo Parking Management (PTY)LTD for providing parking facilities at Van Erkom Parking Arcade for a period of three (3) months commencing 1 April 2025 to 30 June 2025.



Recommended



Not Recommended



Recommended with Comments

Signature

Kwame Mzileni

Acting Director: Facilities Management

Date:31 March 2025



Or SignHub Signature

REQUEST FOR APPROVAL FOR DEVIATION FROM STANDARD PROCUREMENT PROCEDURES ON THE BASIS OF SINGLE SOURCE TO APPOINT KARABO PARKING MANAGEMENT (PTY) LTD FOR PARKING FACILITIES AT VAN ERKOM PARKING ARCADE FOR A PERIOD OF THREE (3) MONTHS.

☒ Recommended ☐ Not Recommended

☐ Recommended with Comments

Signature
Obakeng Thwane
Acting Chief Financial Officer
Date: 31 March 2025

Or SignHub Signature

☒ Recommended ☐ Not Recommended

☐ Comments

Signature
Stadi Mngomezulu
Deputy Director-General: Corporate
Services
Date: 31 March 2025

Or SignHub Signature

☐ Approved ☐ Not Approved

☐ Comments

Signature
Unathi Ngwenya
Chief Financial Officer
Date:

Or SignHub Signature