



For Immediate Release

**VICTOR DOOLAN, FORMER PRESIDENT OF NORTH AMERICA UNITS
OF VOLVO AND BMW, JOINS ZAG BOARD OF DIRECTORS**

*Renowned Senior Executive to Provide Key Counsel, Insight
To Groundbreaking Technology Company in Online Automotive Space*

SANTA MONICA, Calif. (June 7, 2006) – Zag (www.zag.com), an automotive retail innovator, today announced the appointment of Victor Doolan, formerly president of Volvo Cars North America and BMW North America, to its Board of Directors.

Doolan brings to Zag an extensive track record of executive leadership, which has made him one of the most recognizable and important figures within the automotive sector. As recently retired president of Volvo Cars North America, Doolan led the company to two years of record sales in the United States and Mexico, and achieved significant growth in Canada. Doolan also built the brand's resale value to record levels during the period.

Prior to Volvo, Doolan served as Executive Director to Premier Automotive Group, the luxury division of Ford Motor Company. He also served in various posts at BMW, most notably as President BMW North America, where sales grew for eight successive years during his tenure, close to a threefold increase overall.

"Vic's knowledge and insight into the automotive industry is unparalleled," said Scott Painter, CEO, Zag. "His proven ability to turn ideas into sales, and sales into brands is inspiring. We are delighted he has decided to join our board and look forward to his innovative, invigorating approach to all things automotive. Coming from the

manufacturing side, Vic is especially attuned to the dynamic that exists between carmaker, dealer and consumer.”

“Zag is committed to changing the face of automotive retailing,” Doolan said. “That’s what I’ve found so compelling about the company. Zag is working with the automotive retail industry as the company ushers in major changes to the retail business model – changes the market is ready for, and that will result in a better, more efficient buying and selling experience for all concerned.”

An active philanthropist, Doolan has been honored with the Good Scout Award from New York and Orange County, as well as the Woody Guthrie Award from the Huntington’s Disease Foundation for Industry Leadership. He is currently the director of Alex’s Lemonade Stand, a charitable organization raising funds for Pediatric Cancer research.

Currently, Doolan serves as a director of Sonic Automotive Inc. and as nonexecutive chairman of Courland Automotive Practice, USA.

The Zag Board of Directors also includes Painter, founder of Zag and co-founder of CarsDirect.com; Robert Buce, former senior partner at KPMG and founder of Build-To-Order, Inc.; Sue Callaway, former VP and GM of Jaguar North America and former automotive editor at Fortune Magazine; Brian Reed, vice president, Capital One Auto Finance; William Woodward, Managing Director and founder of Anthem Venture Partners; Dave Lawson, CEO of Capital One Auto Finance and Steven Dietz, Partner of GRP Partners.

About Zag

Zag is an independent technology and services business, committed to dramatically improving the way consumers buy cars while simultaneously helping dealers enable sales. Zag is transforming the auto-buying experience with a groundbreaking online platform that extends current online buying capabilities – and soon will make it possible for consumers to complete the entire auto-buying transaction online. Zag’s platform goes beyond research-related websites to give consumers upfront pricing and inventory availability for new and used cars, and the ability to configure a new vehicle and arrange financing online. Over the next year, the company will roll out additional capabilities that will enable a complete, end-to-end online transaction for the first time. Zag works with affinity-based organizations to bring a private label, customized experience to members or customers while automating much of the time-consuming, inefficient

processes at the dealership level. Zag is based in Santa Monica, Calif., with offices in Sherman Oaks, Calif., Fullerton, Calif., and Portland, Ore.

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