



Société Anonyme
with a share capital of 693,346.78 Euros
Registered office : 19 Le Parvis de Paris La Défense – 92800 PUTEAUX
Trade Register N° : 450 249 677 Nanterre

**B O A R D O F D I R E C T O R S ' I N T E R N A L
C H A R T E R**

Dated February 7, 2012

The Board of Directors of Sequans Communications SA has decided to amend its internal charter adopted on June 30, 2010, and amended on March 8, 2011, and to set its governing principles.

TITLE I

THE ROLE OF THE BOARD OF DIRECTORS

Article 1 – Resolutions of the board of directors

Besides the questions related to its statutory attributions, the board of directors gives regularly its opinion on all decisions relating to the company's and its subsidiaries' general strategy and on the main decisions regarding its activities. This does concern in particular important investment projects of organic growth and internal restructurings, significant acquisitions and transfers of interests and assets, transactions or undertakings that may significantly impact the financial results of the company or that may significantly modify the structure of its balance sheet, and agreements for strategic development.

Article 2 – Information of the board of directors

The board of directors is regularly informed, either directly or through its committees, of any significant event relating to the conduct of the business of the company. It may be informed, at any moment, including between meetings reviewing the financial accounts, of any significant evolution of the financial situation and of the cash flow, and of the undertakings and obligations of the company.

TITLE II

DIRECTORS

Article 3 – Directors' Independence

The board of directors determines the criteria for the definition of the "independent" director pursuant to corporate governance principles applicable to the company, and ensures that the ratio of directors complying with such definition always exceeds half of the members of the board ; it takes care of their replacement as soon as practicable, as the case may be.

Such definition implies that an independent director can have no direct or indirect relationship, of any nature whatsoever, with the company, its subsidiaries or its management, that may affect its freedom of judgment. Any director that would hold more than 5% of the share capital and voting rights of the company would not be considered as independent in that respect.

Each director is required to inform the chairman of the board of directors of any situation that could create a conflict of interest with the company or one of its subsidiaries ; if necessary, the chairman should consult the Governance and Corporate Social Responsibility Committee on any such matter.

The concerned director, at the end of this process, shall act accordingly in accordance with applicable laws.

Article 4 – Directors’ duty of confidentiality

Directors are bound by an absolute duty of confidentiality with respect to the discussions and resolutions of the board of directors and its committees and any information disclosed at the meetings.

As a general rule, the members of the board of directors are required not to disclose any information to anyone outside the board of directors, in particular to the media.

In the event of an ascertained breach to such confidentiality duty by a director, the chairman of the board of directors shall report to the board on any actions, including legal proceedings, that he intends to take as a result of such breach.

Article 5 – Directors’ duty of diligence

In accepting a mandate as director, each director undertakes to fully take on the duties of the position, in particular:

- to devote the time necessary to analyze the issues brought before the board of directors and, as applicable, the committees on which he serves ;
- to request any additional information he deems useful ;
- to ensure that this internal charter is applied ;
- to form an opinion freely before any decision, considering only the corporate interest of the company;
- to actively participate in all meetings except when unable to do so; and
- to formulate any proposals intended to improve the working conditions of the board of directors and its committees.

The board of directors shall ensure the continuation of the improvement of the information provided to the shareholders. Each director must seek to achieve this objective, in particular through his contribution to the work of the board committees.

Each director undertakes to resign from his mandate when he believes in good faith that he is no longer able to fully fulfill his mandate.

TITLE III

ORGANIZATION OF THE BOARD OF DIRECTORS

Article 6 – Meetings of the board of directors

Each year, upon the chairman’s recommendation, the board of directors sets a calendar of board meetings for the following year. This calendar sets the dates of regular board meetings (quarter results; annual results, etc.) and on a provisional basis that may be revised, the dates to be reserved by directors for possible additional board meetings. The chairman sets the agenda for each board meeting and communicates the agenda to the board members in a timely manner using all appropriate means.

The documents enabling the directors to take a fully informed decision on the items of the agenda set by the chairman are transmitted by the chairman to the directors at least 48 hours before the board meeting, except in emergency situations or when strict confidentiality needs to be observed.

In any case, the board of directors may, at any meeting, in the event of emergencies and on the chairman’s recommendation, deliberate on items that are not included on the agenda transmitted to the board.

The board of directors regularly conducts an overall evaluation of its work and the work of its committees, particularly the audit Committee. It reviews the recommendations made in this area by the

governance and corporate social responsibility committee.

Article 7 – Attendance at meetings of the board of directors

The chairman of the board ensures that videoconference or telecommunication facilities providing continuous retransmission of board meetings are made available to directors living outside the Paris area or abroad, or for those that are temporarily located there for legitimate reasons, so as to enable them to participate to board meetings.

Where members are called to a board meeting elsewhere than at the company's registered office, the chairman takes the necessary measures to enable directors who are not able to attend the meeting in person to participate via the above described facilities.

Directors attending a board meeting via videoconference or telecommunication facilities are deemed present for the calculation of the quorum and the voting majority.

The videoconference or telecommunication facilities used must meet technical standards that guarantee effective participation by all to board meetings. The deliberations must be transmitted on a continuous basis. All necessary measures shall be taken to ensure the identification of each participant and the verification of the quorum. Failing this, the meeting shall be adjourned.

The attendance registry for meetings of the board of directors must mention video or telecommunication attendance by directors, if applicable. The minutes of the board of directors meeting must specify the names of those directors attending the meeting via videoconference or telecommunication facilities. The minutes must also mention any videoconference or telecommunication facilities technical incident that disrupted the meeting.

Article 8 – The committees

For the exercise of its different missions, the board of directors sets up specialized committees, made up of directors appointed by it, that prepare any case that might fall into the board's attribution and formulate proposals, recommendations in accordance with these committees internal charter. The board of directors is assisted by the following committees : the governance and corporate social responsibility committee, the compensation committee and the audit committee.

Each of these committees is made up of at least two independent directors (three for the Audit Committee), and is chaired by one of them appointed by the board of directors. Each committee submits its work to the board of directors which is the sole corporate body competent to take the decisions on the subjects submitted to it.

The chief executive officer may attend all the meetings of the board's committees (except the meetings of the remuneration committee on his personal situation) without voting rights.