UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

[redacted] Plaintiff, vs. SEQUANS COMMUNICATIONS S.A., DR. GEORGES KARAM, DEBORAH CHOATE, MICHAEL ELIAS, JAMES PATTERSON, DAVID ONG, HUBERT DE PESQUIDOUX, DOMINIQUE PITTELOUD, ALOK SHARMA, ZVI SLONIMSKY, T. CRAIG MILLER, UBS LIMITED, and JEFFERIES & COMPANY, INC., Defendants.	Civil Action No. ____________ CLASS ACTION COMPLAINT FOR VIOLATION OF THE FEDERAL SECURITIES LAWS

Plaintiff makes the following allegations, except as to allegations specifically pertaining to Plaintiff and Plaintiff's counsel, based upon the investigation undertaken by Plaintiff's counsel, which included analysis of publicly available news articles and reports, public filings, securities analysts' reports and advisories about Sequans Communications S.A. ("Sequans" or the "Company"), press releases and other public statements issued by the Company, and media reports about the Company, and believes that substantial additional evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

NATURE OF THE ACTION

1. This is a federal securities class action on behalf of a class consisting of all persons other than Defendants who purchased the American Depositary Shares ("ADSs") of Sequans pursuant and/or traceable to the Company's initial public offering on or about April 15, 2011 (the "IPO" or "Offering"), as well as purchasers of the Company's ADSs between April 15, 2011 and July 27, 2011, inclusive (the "Class Period"), seeking to pursue remedies under Sections 11, 12(a)(2) and 15 of the Securities Act of 1933 ("Securities Act") and Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 ("Exchange Act"), as amended by the Private Securities Litigation Reform Act of 1995 ("PSLRA") and Rule 10b-5 promulgated thereunder (17 C.F.R. §240.10b-5).

JURISDICTION AND VENUE

2. The claims asserted herein arise under and pursuant to Sections 11, 12(a)(2) and 15 of the Securities Act [15 U.S.C. §§77k, 77l(a)(2) and 77o], Sections 10(b) and 20(a) of the Exchange Act [15 U.S.C. §§78j(b) and 78t(a)] and Rule 10b-5 promulgated thereunder [17 C.F.R. §240.10b-5].

3. This Court has jurisdiction over this action pursuant to Section 22 of the Securities Act [15 U.S.C. §77v], Section 27 of the Exchange Act [15 U.S.C. §78aa], and 28 U.S.C. §§1331 and 1337.

4. Venue is properly laid in this District pursuant to Section 22 of the Securities Act, Section 27 of the Exchange Act and 28 U.S.C. §1391(b) and (c). The acts and conduct complained of herein occurred in substantial part in this District and the IPO was marketed in this District.

5. In connection with the acts and conduct alleged in this Complaint, Defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including the mails and telephonic communications and the facilities of the New York Stock Exchange ("NYSE").

PARTIES

6. Plaintiff [redacted] purchased Sequans ADSs, as set forth in the certification attached hereto and incorporated herein by reference, pursuant and/or traceable to the Company's IPO, and was damaged thereby.

7. Defendant Sequans is a designer, developer and supplier of 4G semiconductor solutions for wireless broadband. The Company was founded in 2003 and is based in Paris, France, with additional offices throughout the world, including the United States.

(a) Defendant Dr. Georges Karam ("Karam") served as Chief Executive Officer and Chairman of the Board of Directors of the Company at relevant times herein.

(b) Defendant Deborah Choate ("Choate") served as Chief Financial Officer of the Company at relevant times herein.

(c) Defendant Michael Elias ("Elias") served as a director of the Company at relevant times herein.

(d) Defendant James Patterson ("Patterson") served as a director of the Company at relevant times herein.

(e) Defendant David Ong ("Ong") served as a director of the Company at relevant times herein.

(f) Defendant Hubert de Pesquidoux ("Pesquidoux") served as a director of the Company at relevant times herein.

(g) Defendant Dominique Pitteloud ("Pitteloud") served as a director of the Company at relevant times herein.

(h) Defendant Alok Sharma ("Sharma") served as a director of the Company at relevant times herein.

(i) Defendant Zvi Slonimsky ("Slonimsky") served as a director of the Company at relevant times herein.

(j) Defendant T. Craig Miller ("Miller") served as the Company's U.S. Representative at relevant times herein.

(k) Defendants Karam, Choate, Elias, Patterson, Ong, Pesquidoux, Pitteloud, Sharma, Slonimsky, and Miller above are collectively referred to herein as the "Individual Defendants." Each of the Individual Defendants signed the Registration Statement (defined below) issued in connection with the IPO.

8. Defendants UBS Limited ("UBS") and Jefferies & Company, Inc. ("Jefferies") served as the lead underwriters for the IPO. UBS maintains its principal United States executive offices in this District and Jefferies' executive offices are in this District. UBS and Jefferies failed to perform adequate due diligence in connection with their roles as underwriters for the IPO and were negligent in failing to ensure that the Registration Statement and Prospectus were prepared properly and accurately.

PLAINTIFF'S CLASS ACTION ALLEGATIONS

9. Plaintiff brings this action as a class action pursuant to Federal Rules of Civil Procedure 23(a) and 23(b)(3) on behalf of a class consisting of all persons other than Defendants who purchased the ADSs of Sequans pursuant and/or traceable to the Company's IPO on or about

April 15, 2011, as well as purchasers of the Company's ADSs between April 15, 2011 and July 27, 2011, inclusive (the "Class"). Excluded from the Class are Defendants herein, members of the immediate families of each of the Defendants, any person, firm, trust, corporation, officer, director or other individual or entity in which any Defendant has a controlling interest or which is related to or affiliated with any Defendant, and the legal representatives, agents, affiliates, heirs, successors-in-interest or assigns of any such excluded party.

10. The members of the Class are so numerous that joinder of all members is impracticable. Sequans sold more than 7.7 million ADSs in the IPO. The precise number of Class members is unknown to Plaintiff at this time but is believed to be in the thousands. In addition, the names and addresses of the Class members can be ascertained from the books and records of Sequans or its transfer agent or the underwriters to the IPO. Notice can be provided to such record owners by a combination of published notice and first-class mail, using techniques and a form of notice similar to those customarily used in class actions arising under the federal securities laws.

11. Plaintiff will fairly and adequately represent and protect the interests of the members of the Class. Plaintiff has retained competent counsel experienced in class action litigation under the federal securities laws to further ensure such protection and intends to prosecute this action vigorously.

12. Plaintiff's claims are typical of the claims of the other members of the Class because Plaintiff's and all the Class members' damages arise from and were caused by the same false and misleading representations and omissions made by or chargeable to Defendants. Plaintiff does not have any interests antagonistic to, or in conflict with, the Class.

13. A class action is superior to other available methods for the fair and efficient adjudication of this controversy. Since the damages suffered by individual Class members may be

relatively small, the expense and burden of individual litigation make it virtually impossible for the Class members to seek redress for the wrongful conduct alleged. Plaintiff knows of no difficulty that will be encountered in the management of this litigation that would preclude its maintenance as a class action.

14. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

(a) Whether the federal securities laws were violated by Defendants' acts as alleged herein;

(b) Whether the Prospectus and Registration Statement issued by Defendants to the investing public in connection with the IPO negligently omitted and/or misrepresented material facts about Sequans and its business; and

(c) The extent of injuries sustained by members of the Class and the appropriate measure of damages.

SUBSTANTIVE ALLEGATIONS

15. Defendant Sequans designs, develops, and supplies 4G semiconductor solutions for wireless broadband applications.

16. On or about March 22, 2011, Sequans filed with the Securities and Exchange Commission ("SEC") a Form F-1 Registration Statement and four amendments thereto (the "Registration Statement"), for the IPO.

17. On or about April 14, 2011, the Prospectus with respect to the IPO (the "Prospectus"), which forms part of the Registration Statement, became effective and 7.7 million shares of Sequans' ADSs at $10 per ADS were sold to the public, thereby raising $77 million.

18. The 4G market consists of two primary technologies, WiMAX and 4G LTE. The WiMAX technology is used by Sprint in phones and other devices that run on its network and is slower than the newer 4G LTE technology being built out and offered by other carriers, including Verizon Wireless and AT&T Wireless. At the time of the IPO, the Company derived substantially all of its revenues from sales to the WiMAX segment of the 4G market.

19. The Registration Statement positively described the Company's "competitive strengths" in the 4G market as a result of its "strong position in the WiMAX market" and the fact that the Company is an "early leader in the LTE Market." The Registration Statement also described key elements of the Company's strategy and stated, in pertinent part, as follows:

> **Our Strategy**
>
> Our goal is to be the leading provider of next-generation wireless semiconductors by providing best-in-class solutions that enable mass-market adoption of 4G technologies worldwide. Key elements of our strategy include:
>
> * ***Maintaining and extending our market position in WiMAX.*** We intend to maintain our market position in WiMAX by growing our revenues through continued penetration into 4G WiMAX devices that are deployed by large wireless carriers and the expansion of our sales in CPE broadband wireless applications for emerging markets;
>
> ***** ***Leveraging WiMAX expertise to become a leader in LTE***. We are leveraging our strong market position and technical expertise in WiMAX to deploy best-in-class LTE solutions, as WiMAX and LTE share many common technologies;

[Emphasis added].

20. The Registration Statement described the Company's sales cycles, competitive advantages and rapidly growing revenue, and stated, in pertinent part, as follows:

> Our sales cycles typically take 12 months or more to complete and our solutions are generally incorporated into our end customers' products at the design stage. Prior to an end customer's selection and purchase of our solutions, our sales force and field applications engineers, or FAEs, provide our end customers with technical assistance in the use of our solutions in their products. Once our solution is designed into an end customer's product offering, it becomes more difficult for a competitor to sell its semiconductor solutions to that end customer for that particular product offering

> given the significant cost, time, effort and risk involved in changing suppliers. In addition, once we win a particular design with an end customer, we believe our ability to penetrate other product families at that end customer increases significantly.
>
> ***Our product revenue is growing rapidly, driven primarily by increased sales volume of our products due to various trends in the 4G wireless broadband market***. These trends include deployment and broader adoption of the commonly accepted 4G protocols, WiMAX and LTE, and a dramatic increase in the number and type of devices subscribers use to access the wireless broadband network. ***We expect our product revenue to continue to grow in absolute terms, although at a significantly lesser rate than what we experienced in 2010 compared to 2009***. Our product revenue is also affected by changes in the unit volume and average selling prices, or ASPs, of our semiconductor solutions.

[Emphasis added].

21. On April 28, 2011, Sequans issued a press release announcing its financial results for the first quarter of 2011, the period ended March 31, 2011. For the quarter, the Company reported revenue of $25.4 million, an increase of 11% compared to the fourth quarter of 2010 and 149% compared to the first quarter of 2010. The Company also reported that net profit was $1.9 million, or $0.07 per diluted share/ADS, compared to a net loss of $2.8 million, or $0.10 per diluted share/ADS, in the fourth quarter of 2010 and a net loss of $1.4 million, or $0.06 per diluted share/ADS, in the first quarter of 2010. Defendant Karam commented on the results, stating, in pertinent part, as follows:

> Our first quarter results reflect continued strong demand for 4G devices to support bandwidth-intensive mobile data applications. In particular, we are benefitting from our position as the 4G chip supplier to HTC's EVO 4G and EVO Shift smart phones. Our growth is also being fueled by our customers serving emerging markets with devices that enable basic broadband connectivity to the home or enterprise. We are pursuing additional design wins that would further diversify our customer base, and we are involved in LTE trials in key markets such as China and India. Meanwhile, we are able to generate substantial operating leverage by carefully managing the growth in operating expenses and capitalizing on our depth of experience in 4G by shifting resources as the technologies evolve.

22. Following the Company's announcements on April 28, 2011, the price of Sequans ADSs increased from $8.50 per share to close at $9.68 per share that day, on extremely heavy

volume. The Company's shares continued to rise thereafter and traded above $19.00 per ADS by the end of May 2011.

23. The statements referenced above in ¶¶19-21 were each inaccurate statements of material fact or were materially false and misleading when made because they failed to disclose and misrepresented the following material adverse facts, which were known to Defendants or recklessly or negligently disregarded by them:

(a) Revenues from the Company's WiMAX products were declining;

(b) The Company was not in position to generate any meaningful revenues from sales of 4G LTE products until late 2012;

(c) The Company's largest customer, HTC, and the industry in general, was focusing more on 4G LTE offerings as opposed to WiMAX offerings, including WiMAX products offered by the Company;

(d) The Company would not experience sales growth during 2011 and in fact would experience sales declines during that period;

(e) The Company was becoming increasingly more dependent upon sales from its largest customer, HTC, and sales from that customer declined and would continue to decline; and

(f) As a result of the foregoing, Defendants' positive statements about the Company were lacking in a reasonable basis of fact and were materially false and misleading when made.

24. Although the Registration Statement contained purported "Risk Factors" about the potential for demand to decline and the Company's inability to sell products in the 4G LTE market, it did not explain or describe that – at the time of the IPO – the Company had already experienced softening demand for its products, the market had shifted away from WiMAX and was focusing

instead on 4G LTE, and the Company would not be in position to generate meaningful revenues from 4G LTE for a significant amount of time.

25. Under applicable SEC rules and regulations governing the preparation of the Registration Statement and Prospectus, the Registration Statement was required to disclose the omitted facts referenced above in ¶23. Additionally, the downward trend in sales for the Company's WiMAX offerings and the fact that the Company would not be in position to generate material sales of 4G LTE products until 2012 were facts were already known and existing at the time of the IPO, and the trend or uncertainty was reasonably likely to have a material impact on Sequan's financial condition. The Registration Statement failed to contain these disclosures.

26. On July 28, 2011, before the stock market opened, Sequans announced financial results for the second quarter of 2011, the period ended June 30, 2011, and reported net profit of $0.1 million, or $0.00 per diluted ADS, compared to a net profit of $1.9 million, or $0.07 per ADS, in the first quarter of 2011 and a net profit of $0.6 million, or $0.02 per ADS, in the second quarter of 2010. Defendant Karam commented on the results, stating, in pertinent part, as follows:

> After rapid volume growth in the first two quarters of 2011, we recently have seen more cautious order patterns, which we believe are driven by some uncertainty related to several new WiMAX smartphone models being introduced into the U.S. market. This is occurring during a particularly dynamic phase in the evolution of 4G as various carriers plan their migration to LTE. With both a smartphone-optimized LTE chip and a dual-mode WiMAX/LTE chip in our roadmap for the second half, we are well-positioned to participate in any strategy operators choose, but LTE is not expected to contribute materially to our revenue until the second half of 2012.

The press release discussed the Company's Outlook for the third quarter of 2011 and stated, in pertinent part, as follows:

> For the third quarter of 2011, Sequans expects revenue to be in the range of $25 to $28 million, with gross margin increasing to close to 50%. Based on this revenue range and gross margin, non-IFRS net profit per diluted share/ADS is expected to be between $0.00 and $0.05 for the third quarter of 2011, with approximately 36.7 million weighted average number of diluted shares/ADSs. Non-IFRS net profit per share/ADS, excludes any gain or loss from the option component of bank

> convertible notes, which will be outstanding until October 2011. The amount of any such gain or loss will depend on the price of Sequans' ADSs at the end of the quarter. Non-IFRS EPS guidance also excludes the impact of stock based compensation.
>
> Given the lack of visibility, Sequans currently expects revenue in the second half of 2011 is likely to be lower than $50 million.

27. The Company held a conference call with analysts the same day (before the stock market opened) and provided additional details about the Company's financial performance and negative outlook.

28. At the time of the filing of this Complaint, Sequans ADSs trade in a range of $5.50-$6.00 per share.

COUNT I

Violations of Section 11 of the Securities Act
Against All Defendants

29. Plaintiff repeats and realleges each and every allegation contained above.

30. This Count is brought pursuant to Section 11 of the Securities Act, 15 U.S.C. §77k, on behalf of the Class, against all Defendants.

31. The Registration Statement for the IPO was inaccurate and misleading, contained untrue statements of material facts, omitted to state other facts necessary to make the statements made not misleading, and omitted to state material facts required to be stated therein.

32. Sequans is the registrant for the IPO. The Defendants named herein were responsible for the contents and dissemination of the Registration Statement and the Prospectus.

33. As issuer of the ADSs, Sequans is strictly liable to Plaintiff and the Class for the misstatements and omissions.

34. None of the Defendants named herein made a reasonable investigation or possessed reasonable grounds for the belief that the statements contained in the Registration Statement and the Prospectus were true and without omissions of any material facts and were not misleading.

35. By reasons of the conduct herein alleged, each Defendant violated, and/or controlled a person who violated, Section 11 of the Securities Act.

36. Plaintiff acquired Sequans ADSs pursuant to the Registration Statement.

37. Plaintiff and the Class have sustained damages. The value of Sequans ADSs has declined substantially subsequent to and due to Defendants' violations.

COUNT II

Violations of Section 12(a)(2) of the Securities Act
Against All Defendants

38. Plaintiff repeats and realleges each and every allegation contained above.

39. This Count is brought pursuant to Section 12(a)(2) of the Securities Act on behalf of the Class, against all Defendants.

40. Defendants were sellers and offerors and/or solicitors of purchasers of the ADSs offered pursuant to the Prospectus.

41. The Prospectus contained untrue statements of material facts, omitted to state other facts necessary to make the statements made not misleading, and omitted to state material facts required to be stated therein. Defendants' actions of solicitation included participating in the preparation of the false and misleading Prospectus and participating in road shows to market the IPO to investors.

42. Defendants owed to the purchasers of Sequans ADSs, including Plaintiff and other Class members, the duty to make a reasonable and diligent investigation of the statements contained in the IPO materials, including the Prospectus contained therein, to ensure that such statements were true and that there was no omission to state a material fact required to be stated in order to make the statements contained therein not misleading. Defendants, in the exercise of reasonable care, should have known of the misstatements and omissions contained in the IPO materials as set forth above.

43. Plaintiff and other members of the Class purchased or otherwise acquired Sequans ADSs pursuant to and/or traceable to the defective Prospectus. Plaintiff did not know, or in the exercise of reasonable diligence could not have known, of the untruths and omissions contained in the Prospectus.

44. Plaintiff, individually and representatively, hereby offers to tender to Defendants those securities which Plaintiff and other Class members continue to own, on behalf of all members of the Class who continue to own such securities, in return for the consideration paid for those securities together with interest thereon. Class members who have sold their Sequans ADSs are entitled to rescissory damages.

45. By reason of the conduct alleged herein, these Defendants violated, and/or controlled a person who violated, Section 12(a)(2) of the Securities Act. Accordingly, Plaintiff and members of the Class who hold Sequans ADSs purchased in the IPO have the right to rescind and recover the consideration paid for their Sequans ADSs and hereby elect to rescind and tender their Sequans ADSs to the Defendants sued herein. Plaintiff and Class members who have sold their Sequans ADSs are entitled to rescissory damages.

COUNT III

Violation of Section 15 of the Securities Act
Against the Individual Defendants

46. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

47. This Count is brought pursuant to Section 15 of the Securities Act against the Individual Defendants.

48. Each of the Individual Defendants acted as controlling persons of Sequans within the meaning of Section 15 of the Securities Act by virtue of his position as a director and/or senior

officer of Sequans. By reason of their senior management positions and/or directorships at the Company, as alleged above, these Individual Defendants, individually and acting pursuant to a common plan, had the power to influence and exercised the same to cause Sequans to engage in the conduct complained of herein. By reason of such conduct, the Individual Defendants are liable pursuant to Section 15 of the Securities Act.

49. Each of the Individual Defendants was a culpable participant in the violations of Sections 11 and 12(a)(2) of the Securities Act alleged in Counts I and II above, based on their having signed the Registration Statement and having otherwise participated in the process which allowed the Offering to be successfully completed.

COUNT IV

Violation of Section 10(b) of the Exchange Act and Rule 10b-5 Promulgated Thereunder Against Defendants Sequans, Karam, and Choate

50. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

51. This Count is alleged against Defendants Sequans, Karam, and Choate (the "Count IV Defendants").

52. During the Class Period, the Count IV Defendants disseminated or approved the false statements specified above, which they knew or deliberately disregarded were misleading in that they contained misrepresentations and failed to disclose material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

53. The Count IV Defendants violated Section 10(b) of the Exchange Act and Rule 10b-5 in that they:

(a) employed devices, schemes, and artifices to defraud;

(b) made untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or

(c) engaged in acts, practices, and a course of business that operated as a fraud or deceit upon Plaintiff and others similarly situated in connection with their purchases of Sequans ADSs during the Class Period.

54. As alleged herein, the Count IV Defendants acted with scienter in that they knew that the public documents and statements issued or disseminated in the name of the Company were materially false and misleading; knew that such statements or documents would be issued or disseminated to the investing public; and knowingly and substantially participated or acquiesced in the issuance or dissemination of such statements or documents as primary violations of the federal securities laws. As set forth elsewhere herein in detail, the Count IV Defendants, by virtue of their receipt of information reflecting the true facts regarding Sequans, their control over, and/or receipt and/or modification of Sequans' allegedly materially misleading misstatements and/or their associations with the Company which made them privy to confidential proprietary information concerning Sequans, participated in the fraudulent scheme alleged herein.

55. Defendants, through the IPO, sold $77 million of Sequans ADSs to unsuspecting investors while in possession of material non-public information as described herein.

56. At all relevant times, the market for Sequans ADSs was an efficient market for the following reasons, among others:

(a) Sequans ADSs met the requirements for listing, and were listed and actively traded on the NYSE, a highly efficient and automated market;

(b) as a regulated issuer, Sequans filed periodic public reports with the SEC and the NYSE;

(c) Sequans regularly communicated with public investors via established market communication mechanisms, including regular disseminations of press releases on the national circuits of major newswire services and through other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services; and

(d) Sequans was followed by several stock analysts employed by major brokerage firms who wrote reports that were distributed to the sales force and certain customers of their respective brokerage firms. Each of these reports was publicly available and entered the public marketplace.

57. As a result of the foregoing, the market for Sequans ADSs promptly digested current information regarding Sequans from all publicly available sources and reflected such information in the price of Sequans ADSs. Under these circumstances, all purchasers of Sequans ADSs during the Class Period suffered similar injury through their purchase of Sequans ADSs at artificially inflated prices and a presumption of reliance applies.

58. The statutory safe harbor provided for forward-looking statements under certain circumstances does not apply to any of the allegedly false statements pleaded in this Complaint. Many of the specific statements pleaded herein were not identified as "forward-looking statements" when made. To the extent there were any forward-looking statements, there were no meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those in the purportedly forward-looking statements. Alternatively, to the extent that the statutory safe harbor does apply to any forward-looking statements pleaded herein, the Count IV Defendants are liable for those false forward-looking statements because at the time each of those

forward-looking statements was made, the particular speaker knew that the particular forward-looking statement was false, and/or the forward-looking statement was authorized and/or approved by an executive officer of Sequans who knew that those statements were false when made.

59. Plaintiff and the Class have suffered damages in that, in reliance on the integrity of the market, they paid artificially inflated prices for Sequans ADSs. Plaintiff and the Class would not have purchased Sequans ADSs at the prices they paid, or at all, if they had been aware that the market prices had been artificially and falsely inflated by Defendants' misleading statements.

60. As a direct and proximate result of these Defendants' wrongful conduct, Plaintiff and the other members of the Class suffered damages in connection with their purchases of Sequans ADSs during the Class Period. Following the Company's announcements on July 28, 2011, the price of Sequans ADSs collapsed from $15.43 per ADS on July 27, 2011 to close at $8.55 per ADS on July 28, 2011 – a one day decline of $6.88 per share, or 45% – on heavy volume. Thereafter, as more adverse facts were revealed to the market, the price of Sequans ADSs continued to decline and presently trade in a range of $5.50-$6.00 per share.

COUNT V

Violation of Section 20(a) of the Exchange Act
Against Defendants Karam and Choate

61. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

62. Defendants Karam and Choate (the "Count V Defendants") acted as controlling persons of Sequans within the meaning of Section 20(a) of the Exchange Act. By reason of their positions as officers and/or directors of Sequans, and their ownership of Sequans ADSs, the Count V Defendants had the power and authority to cause Sequans to engage in the wrongful conduct complained of herein. Sequans controlled each of the Count V Defendants and all of its employees.

By reason of such conduct, the Count V Defendants are liable pursuant to Section 20(a) of the Exchange Act.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, on behalf of itself and the Class, prays for judgment as follows:

A. Declaring this action to be a class action properly maintained pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure;

B. Awarding Plaintiff and other members of the Class damages together with interest thereon;

C. With respect to Count II, ordering that the IPO be rescinded;

D. Awarding Plaintiff and other members of the Class their costs and expenses of this litigation, including reasonable attorneys' fees, accountants' fees and experts' fees and other costs and disbursements; and

E. Awarding Plaintiff and other members of the Class such other and further relief as may be just and proper under the circumstances.

JURY TRIAL DEMANDED

Plaintiff hereby demands a trial by jury.

DATED: September 9, 2011

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