

May 26, 2016

Dear Clients and Shareholders:

We would like to thank all of you who took part in our Annual Investor Day last week. For those who were unable to attend, an edited transcript will be made available later in the summer.

As we described during the meeting, we have formed an Investment Committee which formally enshrines the collaborative spirit that has always pervaded our culture and investment process. The members of the Committee include me, Arman Gokgol-Kline, Trevor Magyar, Chase Sheridan, John Harris and Greg Alexander. Greg is a non-voting member of the Committee, but an important and valued contributor to its deliberations nonetheless.

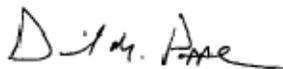
The Investment Committee has the authority to set the parameters for all investments by Sequoia Fund and our separately managed advisory accounts, including the selection of all holdings and their weightings. All decisions of the Committee require the approval of four voting members.

While the Committee will set our investment parameters at its regular meetings, as the portfolio manager of Sequoia Fund, I will remain responsible for the day-to-day management of the Fund and our separate accounts, with the authority to act if events or circumstances require a rapid response.

Furthermore, as we mentioned at the Investor Day, we have amended our prospectus and the internal guidelines governing our separate accounts to allow us to limit the value of any single investment to no more than 20% of a portfolio's assets under management. The one exception to this rule will be our holding in Berkshire Hathaway in separate accounts, which we have grandfathered for purposes of the new position cap.

Those interested can access the Fund's updated prospectus on our website at www.sequoiafund.com, and if you have any questions about the changes outlined above, Jon Gross, our director of client services, stands ready to answer them.

Sincerely,



David M. Poppe and the Ruane, Cunniff & Goldfarb Team

Disclosures

Please consider the investment objectives, risks and charges and expenses of the Fund carefully before investing. The Fund's prospectus contains this and other information about the Fund. You may obtain a copy of the prospectus at www.sequoiafund.com or by calling 1-800-686-6884. Please read the prospectus carefully before investing. Shares of the Fund are offered through the Fund's distributor, Ruane, Cunniff & Goldfarb LLC. Ruane, Cunniff & Goldfarb LLC is an affiliate of Ruane, Cunniff & Goldfarb Inc. and is a member of FINRA.

An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Shares of the Fund may be offered only to persons in the United States and by way of a prospectus.