



**Ruane,  
Cunniff &  
Goldfarb**

October 12, 2020

Dear Sequoia Shareholders and Clients:

For the third quarter of 2020, Sequoia Fund generated a total return of 8.62%<sup>1</sup>, net of fees, versus 8.93% for the Standard & Poor's 500 Index. For the year through September 30, 2020, the Fund generated a 7.54% total return, versus 5.57% for the Index.

During the quarter we opportunistically trimmed the Fund's stakes in Alphabet, Vivendi and Wayfair and added to our holdings in Credit Acceptance, Formula One, Melrose Industries and UnitedHealth Group. We initiated two new positions in Fidelity National Information Services (FIS) and Intercontinental Exchange (ICE), about which we will have more to say in our year-end letter, and we exited the Fund's successful investment in Amazon. While we maintain enormous regard for the strength of Amazon's franchises in retail and cloud software, and while we suspect they both have many years of substantial growth remaining, the valuation of the stock reached a level that we felt more than captured both the quality and potential of a truly extraordinary business.

The Fund's board of directors welcomed Katharine Weymouth as its newest member this quarter. Katharine brings a wealth of business experience, wisdom and integrity to the board. She served as publisher of The Washington Post and as CEO of Washington Post Media from 2008 to 2014, when the Post was acquired by Jeff Bezos, and she is currently the COO and President of dineXpert, a business that connects restaurants with local suppliers. Katharine also serves as a director of Graham Holdings Company, Republic Services Inc., and Cable One Inc. She will be filling the seat of Tim Medley, who is set to retire as a Fund director later this year after five years of service. Tim has been a valued contributor to the board, and we will miss both his insightful perspective and the wonderfully genteel manner in which he always communicates it.

Also retiring at the end of this year are three of the most tenured and beloved members of our client service team at Ruane Cunniff: Jo Ann Chiarelli, Bob Gedicks and Jon Gross. Together, they have devoted more than seventy years to treating our investors more like family than clients. We often talk about our business team going above and beyond the call of duty, and when we do so, we are talking very specifically about Jo Ann, Bob, Jon and the many colleagues they have trained and mentored. We look forward to properly celebrating their tremendous contributions to our Firm and our clients as soon as we safely can, and we know that many of you will want to join us in doing so. Stay tuned for further details, and in the meantime, please join us in wishing Jo Ann, Bob and Jon nothing but happiness, health and good fortune in their future endeavors. We will miss them terribly and will always regard them as treasured friends of the Firm.

Sincerely,

The Ruane Cunniff Investment Committee

Arman Gokgol-Kline

John Harris

Trevor Magyar

D. Chase Sheridan

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<sup>1</sup>The performance data for the Fund shown above represents past performance and assumes reinvestment of dividends. Past performance does not guarantee future results. The investment return and principle value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The Fund's 1-year, 5-year and 10-year average annual total returns through September 30, 2020 were 14.00%, 6.56% and 10.92%, respectively. Current performance may be lower or higher than the performance data quoted. Performance data current to the most recent month-end can be obtained by calling DST Systems, Inc. at (800) 686-6884.

## Disclosures

Please consider the investment objectives, risks and charges and expenses of Sequoia Fund Inc. (the “Fund”) carefully before investing. The Fund’s prospectus and summary prospectus contain this and other information about the Fund and are available at [www.sequoiafund.com](http://www.sequoiafund.com) or by calling 1-800-686-6884. Please read the prospectus and summary prospectus carefully before investing. Shares of the Fund are distributed by Foreside Financial Services, LLC (Member FINRA).

Sequoia Fund, Inc. – September 30, 2020	
Top Ten Holdings*	
Alphabet, Inc.	8.8%
Wayfair, Inc.	6.0%
Carmax, Inc.	5.5%
Facebook, Inc.	5.4%
UnitedHealth Group, Inc.	5.2%
Constellation Software, Inc.	5.0%
Taiwan Semiconductor Mfg.	5.0%
Eurofins Scientific SE	4.6%
Liberty Broadband Corp.	4.1%
Mastercard, Inc.	4.1%

\* The Fund’s holdings are subject to change and are not recommendations to buy or sell any security. The percentages are of total assets.

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.

Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment):

Management Fees	1.00%
Other Expenses	0.07%
Total Annual Fund Operating Expenses**	1.07%
Expense Reimbursement by Investment Adviser**	(0.07)%
Net Annual Fund Operating Expenses**	1.00%

\*\* It is the intention of Ruane, Cunniff & Goldfarb L.P. (the “Adviser”) to ensure the Fund does not pay in excess of 1.00% in net annual fund operating expenses. This reimbursement is a provision of the Adviser’s investment advisory contract with the Fund and the reimbursement will be in effect only so long as the investment advisory contract is in effect. The expense ratio presented is from the Fund’s prospectus dated May 1, 2020. For the year ended December 31, 2019, the Fund’s annual operating expenses and investment advisory fee, net of such reimbursement, were 1.00% and 0.93%, respectively.

The Fund is non-diversified, meaning that it invests its assets in a smaller number of companies than many other funds. As a result, an investment in the Fund has the risk that changes in the value of a single security may have a significant effect, either negative or positive, on the Fund’s net asset value per share.

The S&P 500 Index is an unmanaged capitalization-weighted index of the common stocks of 500 major US corporations. The Index does not incur expenses. It is not possible to invest directly in the Index.