

**NATIONAL HEALTHCARE CORPORATION**  
**2020 ANNUAL MEETING OF SHAREHOLDERS**

**May 7, 2020**

**RULES OF CONDUCT AND PROCEDURES**

Thank you for joining the 2020 Annual Meeting of Shareholders (the “Annual Meeting”) of National HealthCare Corporation (the “Company”). The Annual Meeting will be held at 4:00 p.m. on Thursday, May 7, 2020 (the “meeting time”). This year’s meeting will only be held virtually, via [www.virtualshareholdermeeting.com/NHC2020](http://www.virtualshareholdermeeting.com/NHC2020) which will be accessible five minutes before the meeting time. These Rules of Conduct and Procedures shall apply only to the 2020 Annual Meeting (the “Rules of Conduct”).

It is the Company’s desire to conduct a safe and informative Annual Meeting. In that interest, and in the interest of conducting a fair and orderly meeting within the one-hour time period limit, NHC intends to observe these Rules of Conduct. Any deliberate violation of these Rules of Conduct or an attempt to disrupt the meeting will be considered cause for expulsion from the meeting or the question and answer session. The Chairman will exercise his judgment on any procedural matters not addressed in these Rules of Conduct. Thank you for your cooperation.

1. Meeting Conduct and Agenda. Our Company’s bylaws describe requirements for meetings of our shareholders and the Chair of the Annual Meeting will conduct the meeting consistent with those requirements. The Chair will strictly follow the Agenda as we conduct the meeting.
2. Shareholder Participation. Because this is a meeting of our shareholders, only our shareholders are permitted to vote and submit questions during the Annual Meeting. You need to have held stock as of the close of business on the record date of March 13, 2020 and have your control number available to vote or submit questions while participating in the virtual Annual Meeting.
3. Voting and Proposals. To vote or submit a question, please login as a shareholder by entering the 16-digit control number you received with your proxy materials or obtained elsewhere. If you have voted your shares prior to the start of the Annual Meeting, your vote has been received by the Company’s inspector of elections and there is no need to vote those shares during the Annual Meeting, unless you wish to revoke or change your vote. The voting polls will be open for approximately two minutes after all proposals have been announced. There are three management proposals and one shareholder proposal to be voted on. If properly presented, the shareholder proponent will have two minutes to introduce the shareholder proposal and/or make a statement in support of it.

The position of the Board of Directors is already stated in the proxy materials you received.

4. Questions.

A. If a shareholder has a question about one of the matters on the Agenda at the Annual Meeting, such questions may be submitted into the field provided in the web portal for consideration during the designated question-and-answer period near the conclusion of the meeting, as is customary for the Company's live in-person annual meetings. At the conclusion of the Company business update, the Company will address appropriate general questions from shareholders regarding the Company. Such questions may be submitted in the field provided in the web portal during the Annual Meeting. When submitting a question in writing, please identify yourself by your name and organization. All questions and comments must be directed to the Chair. To allow the Company to answer questions from as many shareholders as possible, we will limit each shareholder to two questions. It will help if questions are succinct and cover only one topic per question. Questions from multiple shareholders on the same topic or that are otherwise related may be grouped, summarized and answered together.

B. Shareholder questions are welcome, but conducting the business set out in the Agenda for the benefit of all stockholders will be paramount. The Company does not intend to address any questions that are not appropriate for the Annual Meeting which could include, among other things, questions that are:

- irrelevant to the business of the Company or to the business of the Annual Meeting;
- related to material non-public information of the Company;
- related to personal matters or grievances or are in furtherance of the shareholder's personal or business interests;
- include derogatory references to individuals or that are otherwise in bad taste;
- contain repetitious statements already made by another stockholder;
- relate to pending or threatened litigation;
- deal with tangentially related general economic, political or other opinions or facts;
- proposals or director nominations that were not previously submitted properly under SEC Rule 14a-8 or in accordance with the Company's advance notice or proxy access By-Law provisions, as applicable; or
- are out of order or not otherwise suitable for the conduct of the Annual Meeting as determined by the Chair or Corporate Secretary in their

discretion. The Chair's determination as to the relevancy or appropriateness of a question or comment will be binding.

- C. The question and answer session will not exceed fifteen (15) minutes and may be shorter depending on the length of the balance of the Agenda.
  - D. Answers to all questions that are otherwise appropriate, including those that cannot be answered during the Meeting due to time constraints, may, in Management's discretion, be posted and answered online under the Investor Relations section of the Company's website as soon as practicable after the Meeting.
- 5. Company/Business Update: Following adjournment of the formal business of the Annual Meeting, the Company's management will give a presentation about the Company's business.
  - 6. Disorder; Technical Malfunction. In the event of disorder, technical malfunction, or other significant problem that disrupts the meeting, the Chairman may adjourn, recess or expedite the Annual Meeting or take such other action that the Chairman or Secretary determines is appropriate in light of the circumstances. Accordingly, if you are planning to vote by casting a ballot electronically during the meeting, be prepared to vote as soon as the polls open.
  - 7. No Personal Recordings. Use of cameras, audio or video recording equipment, web screen capture or sharing, communication devices, or any other similar equipment or means is prohibited without the written permission of the Company.

Thank you for your cooperation and for joining the Company at the Annual Meeting.