

MINUTES OF THE ANNUAL MEETING OF THE SHAREHOLDERS OF NATIONAL HEALTHCARE CORPORATION

May 7, 2020

Pursuant to notice, which was forwarded to all shareholders on or about April 6, 2020, along with the Proxy Statement and Annual Report on Form 10-K, and subsequent notice and press release posted on the NHC website and filed as a proxy statement amendment, the shareholders of National HealthCare Corporation met virtually for their Annual Meeting, commencing at 4:00 PM CDT, on Thursday, May 7, 2020, using a platform created by Broadridge Financial Solutions, Inc. via www.virtualshareholdermeeting.com/NHC2020. Key meeting presenters met in the NHC Room on the 9th Floor of City Center in Murfreesboro, Tennessee. An attendance sheet representing all shareholders electronically present is attached to these minutes as Exhibit A, and the Notice of Annual Meeting with Proxy Statement, along with press release and proxy amendment are attached collectively as Exhibit B (together, the "Proxy Statement").

Mr. Robert G. Adams called the Meeting to order and announced he would serve as Chairman and Josh A. McCreary would serve as Secretary of the Meeting. Mr. Adams verbally outlined the agenda of the meeting and highlighted portions of the Rules of Conduct and Procedures, previously posted on the NHC website, including how to ask questions and how to vote. He then introduced members of the Board of Directors and representatives from the Company's independent auditors, Ernst & Young, LLP, who were present on a monitored phone line and available to answer questions.

Mr. Adams asked Mr. McCreary whether a quorum was present. Mr. McCreary reported receipt of 11,977,646 Proxies to vote or abstain from voting of the 15,339,210 shares issued, outstanding and entitled to vote. This constituted 78.08 percent and thus a quorum was present. A summary of the vote tabulation as submitted by Broadridge is attached as Exhibit C.

Mr. McCreary opened the business portion of the meeting and announced the review and approval of the minutes from the May 9, 2019 Annual Meeting of the Shareholders, which were posted on the NHC website under the Investor Information section.

Mr. McCreary then described the four proposals being voted on by the shareholders as more specifically detailed in the proxy:

For Proposal #1, The shareholders were voting to re-elect W. Andrew Adams, Ernest G. Burgess, III and Emil E. Hassan to the Board of Directors for 3 year terms. The Board of Directors recommended shareholders vote FOR the reelection of Directors A. Adams, Burgess, and Hassan.

For Proposal #2, The shareholders were voting to approve the Advisory Vote on Compensation of our Named Executive Officers. This is often called a "Say on Pay" proposal. The Board of Directors recommended shareholders vote FOR the compensation of our Named Executive Officers.

For Proposal #3, The shareholders were voting to approve the adoption of the 2020 Omnibus Equity Incentive Plan. The Board of Directors recommended shareholders vote FOR the adoption of the 2020 Omnibus Equity Incentive Plan.

For Proposal #4, a shareholder proposal was submitted. The Board of Directors' Statement in Opposition to this proposal was detailed in the Proxy Statement. The Board of Directors recommended shareholders vote AGAINST the shareholder proposal. A representative of this shareholder proposal, Ms. McCarthy, was present virtually by dedicated phone line and given two (2) minutes to present the proposal.

Mr. McCreary announced the opening of the voting feature through the web portal and allowed shareholders to vote or change their vote. After a time for voting, the voting feature was closed. Mr. McCreary announced that in light of the preliminary vote totals voted by the Proxy Holder, the preliminary results show that all 4 proposals were approved by the requisite vote of the company's stockholders, but that the final vote would be reflected in an appropriate SEC filing. A full tally of these votes is shown below.

Proposal #1:

BE IT RESOLVED that the shareholders of National HealthCare Corporation hereby re-elect W. Andrew Adams, Ernest G. Burgess, III, and Emil E. Hassan as directors to hold office for a three (3) year term and until their successors have been duly elected and qualified;

<u>Nominee</u>	<u>Voting For</u>	<u>Withholding Authority</u>	<u>Percent For</u>
W. Andrew Adams	11,056,464	921,182	92.32
Ernest G. Burgess, III	7,475,424	4,502,222	62.43
Emil E. Hassan	8,066,583	3,911,063	67.41

Proposal #2:

BE IT RESOLVED that the shareholders of National HealthCare Corporation hereby vote for the compensation of our named executive officers;

<u>Voting For</u>	<u>Withholding Authority</u>	<u>Percent For</u>
11,600,237	377,409	97.12

Proposal #3:

BE IT RESOLVED that the shareholders of National HealthCare Corporation hereby vote to approve adoption of the National HealthCare Corporation 2020 Omnibus Equity Incentive Plan (the "2020 Equity Incentive Plan");

<u>Voting For</u>	<u>Withholding Authority</u>	<u>Percent For</u>
8,642,099	3,335,547	72.21

Proposal #4:

BE IT RESOLVED that the shareholders of National HealthCare Corporation hereby vote to request the Board to prepare a report to enhance broader diversity;

<u>Voting For</u>	<u>Withholding Authority</u>	<u>Percent For</u>
6,932,164	5,045,482	59.2

Mr. McCreary adjourned the business portion of the meeting and introduced Chief Executive Officer Steve Flatt to speak on the COVID-19 pandemic. Mr. Flatt spoke to clinical/operational effects and financial effects of the pandemic. Mr. Flatt concluded his talking points and introduced President and Chief Operating Officer Mike Ussery.

Mr. Ussery reviewed the Company's 2020 operational performance, highlighting special moments our partners and those they care for are experiencing in this time of social distancing. His comments also included a summary of service quality and financial performance. Mr. Ussery then invited Mr. Flatt to relay annual accomplishments.

Mr. Flatt next reviewed various milestones and achievements of the Company for 2019, including recent purchases and bed additions to the Company's portfolio. Mr. Flatt then gave an update on 2020 development projects. He then turned the meeting over to Chairman Robert G. Adams.

Chairman Robert G. Adams made summary remarks and asked if the shareholders had any questions, stating that they could be submitted through the online portal. No questions were submitted.

There being no further business, the meeting was adjourned. Respectfully submitted this 7th day of May, 2020.

ATTEST:



Robert G. Adams, Chairman



Josh A. McCreary, Secretary

