

Check this box if  
no longer Subject  
to Section 16.

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB Number 3235-0362  
Expires: September 30, 1998  
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hours per response...1.0

Form 3 Holdings Rep. Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or  
Form 4 Trans. Rep. Section 30(f) of the Investment Company Act 1940

1. Name and Address of Reporting Person\* Palumbo Lisa M. 1177 Summer Street Stamford CT 06905-5529  
2. Issuer Name and Ticker or Trading Symbol Rayonier (RYN)  
6. Relationship of Reporting Person to Issuer (Check all Applicable) Director 10% Owner  
X Officer Other  
Vice President and General Counsel  
7. Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person

TABLE I - Non-Derivative Securities Acquired, Disposed of or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Mon/Day/Yr) | 3. Trans. Code (Instr. 8) | 4. Security Acquired (A) or Disposed of (D) (Instr. 3, 4 & 5) | 5. Amount of Securities Beneficially Owned at End of Fiscal Year (Instr. 3 & 4) | 6. Own. Form (D) or (I) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|----------------------------------|---------------------------|---|---|-------------------------|---|
| Common Shares                   | 12/31/1999                       | J (01)                    | 8.092 A \$ .0000  | 1768.645  | D                       |   |
| Common Shares                   |                                  |                           | \$ .0000  | 633   | I (02)                  | In trust  |

Reminder: Report on a separate line for each class securities owned directly or indirectly.  
\*If the form is filed by more than one reporting person, see Instruction 4(b)(v).

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TABLE II - Derivative Securities Acquired, Disposed of, Beneficially Owned (e.g., puts, calls, warrants, options, convertible security)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Date (Mon/Day/Year) | 3. Trans. Code (Instr. 8) | 4. Transaction Acquired (A) or Disposed of (D) (Instr. 3, 4 & 5) | 5. Number of Derivative Securities (Instr. 3, 4 & 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 & 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned at End of Year (Instr. 4) | 10. Own. Form (D) or (I) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|---|---------------------------|--|--|--|---|--|---|--------------------------|--|
|--|---|---------------------------|--|--|--|---|--|---|--------------------------|--|

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Explanation of Responses:

- (01) Systematic acquisition of Shares through Dividend Reinvestment Plan.
- (02) Shares held in trust are held in the Rayonier Investment & Savings Plan for this person's account.

\*\*Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

/s/John B. Canning, Attorney-in-Fact      02/17/2000  
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\*\*Signature of Reporting Person      Date

Note: File three copies of this form, one of which must be manually signed. If space provided is insufficient, see Instruction 6 for procedure.

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Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMD Number

Palumbo, Lisa M.

Rayonier

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