

MARGIOTTA CHARLES  
Form 4  
December 14, 2005

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

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 Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
MARGIOTTA CHARLES

2. Issuer Name and Ticker or Trading Symbol  
RAYONIER INC [RYN]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
50 N. LAURA STREET, SUITE 1900  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
12/12/2005

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
SR VP, BUS DEV

JACKSONVILLE, FL 32202

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount (A) or Price (D)		
Common Shares	12/12/2005		M		5,031 A \$ 17.06	50,706 <sup>(1)</sup>	D
Common Shares	12/12/2005		S		200 D \$ 41.11	50,506	D
Common Shares	12/12/2005		S		300 D \$ 41.04	50,206	D
Common Shares	12/12/2005		S		300 D \$ 41.12	49,906	D
Common Shares	12/12/2005		S		500 D \$ 41.08	49,406	D

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Common Shares	12/12/2005	S	500	D	\$ 41.05	48,906	D	
Common Shares	12/12/2005	S	631	D	\$ 41.06	48,275	D	
Common Shares	12/12/2005	S	1,000	D	\$ 41.03	47,275	D	
Common Shares	12/12/2005	S	1,600	D	\$ 41.02	45,675	D	
Common Shares						14,530.41	I	In Trust <sup>(2)</sup>

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares
Employee Stock Option	\$ 17.06 <sup>(3)</sup>	12/12/2005		M	5,031 <sup>(3)</sup>	01/04/2002 01/06/2009	Common Shares	5,031

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MARGIOTTA CHARLES 50 N. LAURA STREET SUITE 1900 JACKSONVILLE, FL 32202			SR VP, BUS DEV	

## Signatures

By: Joshua H. DeRienzi,  
Attorney-in-Fact

12/14/2005

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Adjusted to reflect a 3-for-2 stock split effective 10/17/2005.
- (2) Shares are held in the Rayonier Investment and Savings Plan for this person's account.
- (3) This option was previously reported as having 3,354 remaining options at an exercise price of \$25.59 per share, but was adjusted to reflect the stock split on 10/17/2005.

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