

RAYONIER INC.

CHARTER OF THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

Amended February 18, 2005

I. PURPOSE

The purpose of the Nominating and Corporate Governance Committee (formerly known as the Nominating Committee and hereinafter the “Committee”) shall be to assist the Board of Directors in:

- identifying qualified individuals for nomination to become Board members
- determining the composition of Board committees
- overseeing processes to evaluate Board and committee effectiveness
- overseeing a set of Corporate Governance Principles for the Company.

II. MEMBERSHIP AND AUTHORITY

The Committee shall consist of a minimum of three directors appointed annually by the Board of Directors who, in the business judgment of the Board, satisfy the independence requirements of the Securities and Exchange Commission, the New York Stock Exchange and applicable law. The Committee may designate and delegate duties to such standing or ad-hoc subcommittees as it deems necessary or desirable.

III. ENGAGEMENT OF ADVISORS

The Committee shall have the sole authority to retain and terminate any search firm used to identify director candidates and any consultant retained in connection with director compensation practices. However, the Committee may: (1) consider management recommendations regarding the appropriate consultant to retain and the terms and conditions of service, and (2) authorize management to enter into contracts with consultants based on terms and conditions approved by the Committee.

The Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors. The Committee may request that any director, officer or employee of the Company, or any other person whose advice and counsel are sought by the Committee, attend a Committee meeting or meet with any member of, or consultant to, the Committee.

IV. GOALS AND RESPONSIBILITIES

The Committee shall have the following specific goals and responsibilities, in addition to any other similar matters which may be referred to it from time to time by the Board of Directors:

1. Nomination of Director Candidates.

- To identify, recruit, screen and select individuals qualified to become Board members as necessary to fill vacancies or the additional needs of the Board.
- To consider potential director nominees appropriately recommended by management or shareholders.
- To recommend to the Board a slate of director nominees to be presented for shareholder approval at the Annual Meeting of Shareholders.
- In evaluating the suitability of potential director nominees, to seek individuals who have the knowledge, experience, skills, expertise and diversity, together with the highest personal and professional integrity, to be most effective, in conjunction with the other Board nominees and members, in collectively serving the long-term interests of the Company's shareholders.
- To periodically reevaluate the foregoing criteria for Board membership considering the Company's strategy, its geographic markets, regulatory environment and other relevant business factors, as well as changes in applicable laws or listing standards.
- Unless applicable rules or listing standards require action of the full Board, the Committee shall make all determinations as to whether or not an individual director is "independent", taking into account applicable law, regulations and listing standards. Where Board action is required, the Committee shall provide advice and counsel to the Board regarding director independence evaluations and determinations.

2. Board and Committee Structure.

- To review, at least annually, the structure of the Board to assure that the proper skills and experience are represented, and to advise the Board with respect to Board composition, procedures and committees.
- To ensure that not less than 75% of Board members shall be independent directors under applicable law, regulations and listing standards.
- To annually review Board committee assignments and evaluate the Board's policy with respect to rotation of committee members and/or chairpersons.
- To review and recommend Board committee slates annually and to recommend additional committee members to fill vacancies as needed, in each case taking into account the desired qualifications for membership on each committee, the availability of the director to meet the time commitment required for membership on the particular committee, and the Company's policy on periodic rotation of committee members.

3. Corporate Governance.

- To regularly review developments relating to corporate governance issues.
- To oversee the Company's Corporate Governance Principles covering directors and management, including review of such Principles and the Company's adherence thereto on at least an annual basis, and to recommend changes as necessary.

4. Board Evaluation.

- To oversee a process for annual self-evaluation of the effectiveness of the operation of the Board and its committees.
- To perform an annual self-evaluation consistent with such process, including a review of the Committee's performance against applicable law and listing standards and the adequacy of this Charter, and to recommend any proposed changes to the Board.

5. Director Compensation.

- To review the Board's policies for director compensation and stock ownership.
- To make recommendations to the Board on an annual basis with respect to director compensation and benefits.
- To periodically benchmark the compensation of directors at comparable companies.

6. Change in Status/Length of Service.

- To review the suitability for continued service as a director of any Board member who has, consistent with Board policy, offered to resign due to retirement from or other change in the principal position he or she held when initially elected to the Board.
- To make recommendations to the Board regarding limits on length of Board service and mandatory retirement age for Board members.

7. Training. To periodically monitor the orientation and training needs of directors and recommend action to the Board, individual directors and management where appropriate.

8. Board Operation.

- To make recommendations on the frequency, content and structure of Board meetings.
- To periodically evaluate the quality, sufficiency and currency of information furnished by management to the directors in connection with Board and committee meetings and other activities of the directors.

9. Additional Functions. To perform such other functions within the scope of the foregoing as the Committee may deem appropriate to undertake from time to time.

V. REPORTING

The Committee shall report its actions and recommendations to the Board and shall conduct and present to the Board an annual performance evaluation of the Committee.