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

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2022

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

RAYONIER INC.

(Exact name of registrant as specified in its charter)

North Carolina	**1-6780**	**13-2607329**
(State or other Jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification Number)

Rayonier, L.P.

(Exact name of registrant as specified in its charter)

Delaware	**333-237246**	**91-1313292**
(State or other Jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification Number)

1 RAYONIER WAY
WILDLIGHT, FL 32097
(Principal Executive Office)
Telephone Number: (904) 357-9100

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

Title of each class	Trading Symbol	Exchange
Common Shares, no par value, of Rayonier Inc.	RYN	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Rayonier Inc. Yes ☒ No ☐ **Rayonier, L.P.** Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Rayonier Inc. Yes ☒ No ☐ **Rayonier, L.P.** Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Rayonier Inc.

Large Accelerated Filer	☒	Accelerated Filer	☐	Non-accelerated Filer	☐	Smaller Reporting Company	☐	Emerging Growth Company	☐

Rayonier, L.P.

Large Accelerated Filer	☐	Accelerated Filer	☐	Non-accelerated Filer	☒	Smaller Reporting Company	☐	Emerging Growth Company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Rayonier Inc. ☐ **Rayonier, L.P.** ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Rayonier Inc. Yes ☐ No ☒ **Rayonier, L.P.** Yes ☐ No ☒

As of April 29, 2022, Rayonier Inc. had 146,292,726 Common Shares outstanding. As of April 29, 2022, Rayonier, L.P. had 3,312,229 Units outstanding.

EXPLANATORY NOTE

This report combines the quarterly reports on Form 10-Q for the quarterly period ended March 31, 2022 of Rayonier Inc., a North Carolina corporation, and Rayonier, L.P., a Delaware limited partnership. Unless stated otherwise or the context otherwise requires, references to "Rayonier" or "the Company" mean Rayonier Inc. and references to the "Operating Partnership" mean Rayonier, L.P. References to "we," "us," and "our" mean collectively Rayonier Inc., the Operating Partnership and entities/subsidiaries owned or controlled by Rayonier Inc. and/or the Operating Partnership.

Rayonier Inc. has elected to be taxed as a real estate investment trust, or REIT, under the Internal Revenue Code of 1986, as amended, commencing with its taxable year ended December 31, 2004. The Company is structured as an umbrella partnership REIT ("UPREIT") under which substantially all of its business is conducted through the Operating Partnership. Rayonier Inc. is the sole general partner of the Operating Partnership. On May 8, 2020, Rayonier, L.P. acquired Pope Resources, a Delaware Limited Partnership ("Pope Resources") and issued approximately 4.45 million operating partnership units ("OP Units" or "Redeemable Operating Partnership Units") of Rayonier, L.P. as partial merger consideration. These OP Units are generally considered to be economic equivalents to Rayonier common shares and receive distributions equal to the dividends paid on Rayonier common shares.

As of March 31, 2022, the Company owned a 97.8% interest in the Operating Partnership, with the remaining 2.2% interest owned by limited partners of the Operating Partnership. As the sole general partner of the Operating Partnership, Rayonier Inc. has exclusive control of the day-to-day management of the Operating Partnership.

Rayonier Inc. and the Operating Partnership are operated as one business. The management of the Operating Partnership consists of the same members as the management of Rayonier Inc. As general partner with control of the Operating Partnership, Rayonier Inc. consolidates Rayonier, L.P. for financial reporting purposes, and has no material assets or liabilities other than its investment in the Operating Partnership.

We believe combining the quarterly reports of Rayonier Inc. and Rayonier, L.P. into this single report results in the following benefits:

- Strengthens investors' understanding of Rayonier Inc. and the Operating Partnership by enabling them to view the business as a single operating unit in the same manner as management views and operates the business;
- Creates efficiencies for investors by reducing duplicative disclosures and providing a single comprehensive document; and
- Generates time and cost savings associated with the preparation of the reports when compared to preparing separate reports for each entity.

There are a few important differences between Rayonier Inc. and the Operating Partnership in the context of how Rayonier Inc. operates as a consolidated company. The Company itself does not conduct business, other than through acting as the general partner of the Operating Partnership and issuing equity or equity-related instruments from time to time. The Operating Partnership holds, directly or indirectly, substantially all of the Company's assets. Likewise, all debt is incurred by the Operating Partnership or entities/subsidiaries owned or controlled by the Operating Partnership. The Operating Partnership conducts substantially all of the Company's business and is structured as a partnership with no publicly traded equity.

To help investors understand the significant differences between the Company and the Operating Partnership, this report includes:

- Separate Consolidated Financial Statements for Rayonier Inc. and Rayonier, L.P.;
- A combined set of Notes to the Consolidated Financial Statements with separate discussions of per share and per unit information, noncontrolling interests and shareholders' equity and partners' capital, as applicable;
- A combined Management's Discussion and Analysis of Financial Condition and Results of Operations which includes specific information related to each reporting entity;

- A separate Part I, Item 4. Controls and Procedures related to each reporting entity;
- A separate Part II, Item 2. Unregistered Sales of Equity Securities and Use of Proceeds section related to each reporting entity; and
- Separate Exhibit 31 and 32 certifications for each reporting entity within Part II, Item 6.

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Item 1. Financial Statements

RAYONIER INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
AND COMPREHENSIVE INCOME
(Unaudited)
(Dollars in thousands, except per share amounts)

	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
SALES (NOTE 3)	$222,041	$191,447
Costs and Expenses		
Cost of sales	(160,979)	(151,378)
Selling and general expenses	(14,760)	(14,032)
Other operating (expense) income, net (Note 15)	(984)	2,448
	(176,723)	(162,962)
OPERATING INCOME	45,318	28,485
Interest expense	(8,337)	(10,028)
Interest and other miscellaneous expense, net	(468)	(4)
INCOME BEFORE INCOME TAXES	36,513	18,453
Income tax expense (Note 17)	(5,515)	(3,421)
NET INCOME	30,998	15,032
Less: Net income attributable to noncontrolling interests in the operating partnership	(669)	(341)
Less: Net income attributable to noncontrolling interests in consolidated affiliates	(1,012)	(3,843)
NET INCOME ATTRIBUTABLE TO RAYONIER INC.	29,317	10,848
OTHER COMPREHENSIVE INCOME		
Foreign currency translation adjustment, net of income tax effect of $0 and $0	6,458	(14,288)
Cash flow hedges, net of income tax effect of $1,022 and $1,059	40,427	61,001
Amortization of pension and postretirement plans, net of income tax expense of $0 and $0	188	294
Total other comprehensive income	47,073	47,007
COMPREHENSIVE INCOME	78,071	62,039
Less: Comprehensive income attributable to noncontrolling interests in the operating partnership	(1,686)	(1,872)
Less: Comprehensive income attributable to noncontrolling interests in consolidated affiliates	(2,408)	(580)
COMPREHENSIVE INCOME ATTRIBUTABLE TO RAYONIER INC.	$73,977	$59,587
EARNINGS PER COMMON SHARE (NOTE 5)		
Basic earnings per share attributable to Rayonier Inc.	$0.20	$0.08
Diluted earnings per share attributable to Rayonier Inc.	$0.20	$0.08

See Notes to Consolidated Financial Statements.

RAYONIER INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)
(Dollars in thousands)

	March 31, 2022	December 31, 2021
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents, excluding Timber Funds	$256,537	$358,680
Cash and cash equivalents, Timber Funds	3,185	3,493
Total cash and cash equivalents	259,722	362,173
Restricted cash, Timber Funds (Note 19)	5,464	6,341
Accounts receivable, less allowance for doubtful accounts of $66 and $59	52,906	30,018
Inventory (Note 14)	33,290	28,523
Prepaid expenses	20,088	18,528
Assets held for sale (Note 20)	2,466	5,099
Other current assets	1,162	749
Total current assets	375,098	451,431
TIMBER AND TIMBERLANDS, NET OF DEPLETION AND AMORTIZATION	2,869,194	2,894,996
HIGHER AND BETTER USE TIMBERLANDS AND REAL ESTATE DEVELOPMENT INVESTMENTS (NOTE 13)	111,445	106,878
PROPERTY, PLANT AND EQUIPMENT		
Land	6,400	6,401
Buildings	31,198	31,168
Machinery and equipment	6,497	6,494
Construction in progress	510	460
Total property, plant and equipment, gross	44,605	44,523
Less — accumulated depreciation	(15,699)	(14,900)
Total property, plant and equipment, net	28,906	29,623
RESTRICTED CASH, EXCLUDING TIMBER FUNDS (NOTE 19)	625	625
RIGHT-OF-USE ASSETS	104,183	101,837
OTHER ASSETS	70,413	50,966
TOTAL ASSETS	$3,559,864	$3,636,356
LIABILITIES, NONCONTROLLING INTERESTS IN THE OPERATING PARTNERSHIP AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$31,131	$23,447
Current maturities of long-term debt, net, (Note 6)	2,087	124,965
Accrued taxes	2,754	12,446
Accrued payroll and benefits	6,068	14,514
Accrued interest	6,677	6,343
Deferred revenue	13,699	17,802
Distribution payable, Timber Funds	5,464	6,341
Other current liabilities	24,782	25,863
Total current liabilities	92,662	231,721
LONG-TERM DEBT, NET, (NOTE 6)	1,243,673	1,242,819
PENSION AND OTHER POSTRETIREMENT BENEFITS (NOTE 16)	10,201	10,478
LONG-TERM LEASE LIABILITY	95,543	93,416
OTHER NON-CURRENT LIABILITIES	99,907	108,521
COMMITMENTS AND CONTINGENCIES (NOTES 9 and 10)		
NONCONTROLLING INTERESTS IN THE OPERATING PARTNERSHIP (NOTE 4)	136,239	133,823
SHAREHOLDERS' EQUITY		
Common Shares, 480,000,000 shares authorized,146,107,688 and 145,372,961 shares issued and outstanding	1,421,946	1,389,073
Retained earnings	389,077	402,307
Accumulated other comprehensive income (loss) (Note 18)	25,973	(19,604)
TOTAL RAYONIER INC. SHAREHOLDERS' EQUITY	1,836,996	1,771,776
Noncontrolling interests in consolidated affiliates (Note 4)	44,643	43,802
TOTAL SHAREHOLDERS' EQUITY	1,881,639	1,815,578
TOTAL LIABILITIES, NONCONTROLLING INTERESTS IN THE OPERATING PARTNERSHIP AND SHAREHOLDERS' EQUITY	$3,559,864	$3,636,356

See Notes to Consolidated Financial Statements.

RAYONIER INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited)
(Dollars in thousands, except share data)

	Common Shares		Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interests in Consolidated Affiliates	Shareholders' Equity
	Shares	Amount				
Balance, January 1, 2022	145,372,961	$1,389,073	$402,307	($19,604)	$43,802	$1,815,578
Net income	—	—	29,986	—	1,012	30,998
Net income attributable to noncontrolling interests in the operating partnership	—	—	(669)	—	—	(669)
Dividends ($0.27 per share) (a)	—	—	(39,902)	—	—	(39,902)
Issuance of shares under the "at-the-market" equity offering, net of commissions and offering costs of $339	726,248	29,771	—	—	—	29,771
Issuance of shares under incentive stock plans	11,364	415	—	—	—	415
Stock-based compensation	—	2,797	—	—	—	2,797
Repurchase of common shares	(5,420)	(214)	—	—	—	(214)
Adjustment of noncontrolling interests in the operating partnership	—	—	(2,645)	—	—	(2,645)
Conversion of units into common shares	2,535	104	—	—	—	104
Amortization of pension and postretirement plan liabilities	—	—	—	188	—	188
Foreign currency translation adjustment	—	—	—	5,668	790	6,458
Cash flow hedges	—	—	—	39,822	605	40,427
Allocation of other comprehensive income to noncontrolling interests in the operating partnership	—	—	—	(101)	—	(101)
Distributions to noncontrolling interests in consolidated affiliates	—	—	—	—	(1,566)	(1,566)
Balance, March 31, 2022	146,107,688	$1,421,946	$389,077	$25,973	$44,643	$1,881,639

(a) For information regarding distributions to noncontrolling interests in the operating partnership, see the Rayonier Inc. Consolidated Statements of Cash Flows and Note 4 — Noncontrolling Interests.

RAYONIER INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
(Unaudited)
(Dollars in thousands, except share data)

	Common Shares		Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interests in Consolidated Affiliates	Shareholders' Equity
	Shares	Amount				
Balance, January 1, 2021	137,678,822	$1,101,675	$446,267	($73,885)	$388,588	$1,862,645
Net income	—	—	11,189	—	3,843	15,032
Net income attributable to noncontrolling interests in the operating partnership	—	—	(341)	—	—	(341)
Dividends ($0.27 per share) (a)	—	—	(37,532)	—	—	(37,532)
Issuance of shares under the "at-the-market" equity offering, net of commissions and offering costs of $197	1,107,814	36,708	—	—	—	36,708
Issuance of shares under incentive stock plans	39,140	1,166	—	—	—	1,166
Stock-based compensation	—	2,156	—	—	—	2,156
Repurchase of common shares	(5,020)	(155)	—	—	—	(155)
Measurement period adjustment of noncontrolling interests in consolidated affiliates	—	—	—	—	655	655
Adjustment of noncontrolling interests in the operating partnership	—	—	(11,867)	—	—	(11,867)
Conversion of units into common shares	150,134	4,715	—	—	—	4,715
Amortization of pension and postretirement plan liabilities	—	—	—	294	—	294
Foreign currency translation adjustment	—	—	—	(11,652)	(2,636)	(14,288)
Cash flow hedges	—	—	—	61,628	(627)	61,001
Allocation of other comprehensive income to noncontrolling interests in the operating partnership	—	—	—	(1,531)	—	(1,531)
Distributions to noncontrolling interests in consolidated affiliates	—	—	—	—	(8,737)	(8,737)
Balance, March 31, 2021	138,970,890	$1,146,265	$407,716	($25,146)	$381,086	$1,909,921

(a) For information regarding distributions to noncontrolling interests in the operating partnership, see the Rayonier Inc. Consolidated Statements of Cash Flows and Note 4 — Noncontrolling Interests.

See Notes to Consolidated Financial Statements.

RAYONIER INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Dollars in thousands)

	Three Months Ended March 31, 2022	2021
OPERATING ACTIVITIES		
Net income	$30,998	$15,032
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation, depletion and amortization	47,419	45,213
Non-cash cost of land and improved development	5,359	1,813
Stock-based incentive compensation expense	2,797	2,156
Deferred income taxes	(8,014)	(1,128)
Amortization of losses from pension and postretirement plans	188	294
Other	(2,244)	(3,681)
Changes in operating assets and liabilities:		
Receivables	(27,837)	(3,697)
Inventories	(4,875)	(3,512)
Accounts payable	7,376	6,684
All other operating activities	(1,500)	(5,306)
CASH PROVIDED BY OPERATING ACTIVITIES	49,667	53,868
INVESTING ACTIVITIES		
Capital expenditures	(15,597)	(15,831)
Real estate development investments	(3,137)	(3,011)
Purchase of timberlands	(2,830)	(29,938)
Other	2,619	4,356
CASH USED FOR INVESTING ACTIVITIES	(18,945)	(44,424)
FINANCING ACTIVITIES		
Issuance of debt	404,018	—
Repayment of debt	(526,948)	—
Dividends paid on common shares	(39,444)	(37,490)
Distributions to noncontrolling interests in the operating partnership	(895)	(1,155)
Proceeds from the issuance of common shares under incentive stock plan	579	1,166
Proceeds from the issuance of common shares under the “at-the-market” (ATM) equity offering program, net of commissions and offering costs	30,918	32,545
Repurchase of common shares to pay withholding taxes on vested incentive stock awards	(214)	(155)
Distributions to noncontrolling interests in consolidated affiliates	(2,684)	(8,737)
CASH USED FOR FINANCING ACTIVITIES	(134,670)	(13,826)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	620	(5)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH		
Change in cash, cash equivalents and restricted cash	(103,328)	(4,387)
Balance, beginning of year	369,139	87,482
Balance, end of period	$265,811	$83,095
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the period:		
Interest (a)	$3,935	$2,945
Income taxes	14,042	4,838
Non-cash investing activity:		
Capital assets purchased on account	4,511	4,814

(a) Interest paid is presented net of patronage payments received of $5.5 million and $6.2 million for the three months ended March 31, 2022 and March 31, 2021, respectively. For additional information on patronage payments, see Note 10 — Debt in the 2021 Form 10-K.

See Notes to Consolidated Financial Statements.

RAYONIER, L.P. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
AND COMPREHENSIVE INCOME
(Unaudited)
(Dollars in thousands, except per unit amounts)

	Three Months Ended March 31,	
	2022	**2021**
SALES (NOTE 3)	$222,041	$191,447
Costs and Expenses		
Cost of sales	(160,979)	(151,378)
Selling and general expenses	(14,760)	(14,032)
Other operating (expense) income, net (Note 15)	(984)	2,448
	(176,723)	(162,962)
OPERATING INCOME	45,318	28,485
Interest expense	(8,337)	(10,028)
Interest and other miscellaneous expense, net	(468)	(4)
INCOME BEFORE INCOME TAXES	36,513	18,453
Income tax expense (Note 17)	(5,515)	(3,421)
NET INCOME	30,998	15,032
Less: Net income attributable to noncontrolling interests in consolidated affiliates	(1,012)	(3,843)
NET INCOME ATTRIBUTABLE TO RAYONIER, L.P. UNITHOLDERS	29,986	11,189
OTHER COMPREHENSIVE INCOME		
Foreign currency translation adjustment, net of income tax effect of $0 and $0	6,458	(14,288)
Cash flow hedges, net of income tax effect of $1,022 and $1,059	40,427	61,001
Amortization of pension and postretirement plans, net of income tax expense of $0 and $0	188	294
Total other comprehensive income	47,073	47,007
COMPREHENSIVE INCOME	78,071	62,039
Less: Comprehensive income attributable to noncontrolling interests in consolidated affiliates	(2,408)	(580)
COMPREHENSIVE INCOME ATTRIBUTABLE TO RAYONIER, L.P. UNITHOLDERS	$75,663	$61,459
EARNINGS PER UNIT (NOTE 5)		
Basic earnings per unit attributable to Rayonier, L.P.	$0.20	$0.08
Diluted earnings per unit attributable to Rayonier, L.P.	$0.20	$0.08

See Notes to Consolidated Financial Statements.

RAYONIER, L.P. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)
(Dollars in thousands)

	March 31, 2022	December 31, 2021
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents, excluding Timber Funds	$256,537	$358,680
Cash and cash equivalents, Timber Funds	3,185	3,493
Total cash and cash equivalents	259,722	362,173
Restricted cash, Timber Funds (Note 19)	5,464	6,341
Accounts receivable, less allowance for doubtful accounts of $66 and $59	52,906	30,018
Inventory (Note 14)	33,290	28,523
Prepaid expenses	20,088	18,528
Assets held for sale (Note 20)	2,466	5,099
Other current assets	1,162	749
Total current assets	375,098	451,431
TIMBER AND TIMBERLANDS, NET OF DEPLETION AND AMORTIZATION	2,869,194	2,894,996
HIGHER AND BETTER USE TIMBERLANDS AND REAL ESTATE DEVELOPMENT INVESTMENTS (NOTE 13)	111,445	106,878
PROPERTY, PLANT AND EQUIPMENT		
Land	6,400	6,401
Buildings	31,198	31,168
Machinery and equipment	6,497	6,494
Construction in progress	510	460
Total property, plant and equipment, gross	44,605	44,523
Less — accumulated depreciation	(15,699)	(14,900)
Total property, plant and equipment, net	28,906	29,623
RESTRICTED CASH, EXCLUDING TIMBER FUNDS (NOTE 19)	625	625
RIGHT-OF-USE ASSETS	104,183	101,837
OTHER ASSETS	70,413	50,966
TOTAL ASSETS	$3,559,864	$3,636,356
LIABILITIES, REDEEMABLE OPERATING PARTNERSHIP UNITS AND CAPITAL		
CURRENT LIABILITIES		
Accounts payable	$31,131	$23,447
Current maturities of long-term debt, net, (Note 6)	2,087	124,965
Accrued taxes	2,754	12,446
Accrued payroll and benefits	6,068	14,514
Accrued interest	6,677	6,343
Deferred revenue	13,699	17,802
Distribution payable, Timber Funds	5,464	6,341
Other current liabilities	24,782	25,863
Total current liabilities	92,662	231,721
LONG-TERM DEBT, NET, (NOTE 6)	1,243,673	1,242,819
PENSION AND OTHER POSTRETIREMENT BENEFITS (NOTE 16)	10,201	10,478
LONG-TERM LEASE LIABILITY	95,543	93,416
OTHER NON-CURRENT LIABILITIES	99,907	108,521
COMMITMENTS AND CONTINGENCIES (NOTES 9 and 10)		
REDEEMABLE OPERATING PARTNERSHIP UNITS (NOTE 4) 3,313,206 and 3,315,741 Units outstanding, respectively	136,239	133,823
CAPITAL		
General partners' capital	18,068	17,872
Limited partners' capital	1,788,713	1,769,367
Accumulated other comprehensive income (loss) (Note 18)	30,215	(15,463)
TOTAL CONTROLLING INTEREST CAPITAL	1,836,996	1,771,776
Noncontrolling interests in consolidated affiliates (Note 4)	44,643	43,802
TOTAL CAPITAL	1,881,639	1,815,578
TOTAL LIABILITIES, REDEEMABLE OPERATING PARTNERSHIP UNITS AND CAPITAL	$3,559,864	$3,636,356

See Notes to Consolidated Financial Statements.

RAYONIER, L.P. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN CAPITAL
(Unaudited)
(Dollars in thousands, except share data)

	Units				
	General Partners' Capital	Limited Partners' Capital	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interests in Consolidated Affiliates	Total Capital
Balance, January 1, 2022	$17,872	$1,769,367	($15,463)	$43,802	$1,815,578
Net income	300	29,686	—	1,012	30,998
Distributions on units ($0.27 per unit)	(408)	(40,388)	—	—	(40,796)
Issuance of units under the "at-the-market" equity offering, net of commissions and offering costs of $339	298	29,473	—	—	29,771
Issuance of units under incentive stock plans	4	411	—	—	415
Stock-based compensation	28	2,769	—	—	2,797
Repurchase of units	(2)	(212)	—	—	(214)
Adjustment of Redeemable Operating Partnership Units	(25)	(2,496)	—	—	(2,521)
Conversion of units into common shares	1	103	—	—	104
Amortization of pension and postretirement plan liabilities	—	—	188	—	188
Foreign currency translation adjustment	—	—	5,668	790	6,458
Cash flow hedges	—	—	39,822	605	40,427
Distributions to noncontrolling interests in consolidated affiliates	—	—	—	(1,566)	(1,566)
Balance, March 31, 2022	$18,068	$1,788,713	$30,215	$44,643	$1,881,639

	Units				
	General Partners' Capital	Limited Partners' Capital	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interests in Consolidated Affiliates	Total Capital
Balance, January 1, 2021	$15,454	$1,529,948	($71,345)	$388,588	$1,862,645
Net income	112	11,077	—	3,843	15,032
Distributions on units ($0.27 per unit)	(387)	(38,300)	—	—	(38,687)
Issuance of shares under the "at-the-market" equity offering, net of commissions and offering costs of $197	367	36,341	—	—	36,708
Issuance of units under incentive stock plans	12	1,154	—	—	1,166
Stock-based compensation	22	2,134	—	—	2,156
Repurchase of units	(2)	(153)	—	—	(155)
Adjustment of Redeemable Operating Partnership Units	(126)	(12,458)	—	—	(12,584)
Conversion of units into common shares	47	4,668	—	—	4,715
Measurement period adjustment of noncontrolling interests in consolidated affiliates	—	—	—	655	655
Amortization of pension and postretirement plan liabilities	—	—	294	—	294
Foreign currency translation adjustment	—	—	(11,652)	(2,636)	(14,288)
Cash flow hedges	—	—	61,628	(627)	61,001
Distributions to noncontrolling interests in consolidated affiliates	—	—	—	(8,737)	(8,737)
Balance, March 31, 2021	$15,499	$1,534,411	($21,075)	$381,086	$1,909,921

See Notes to Consolidated Financial Statements.

RAYONIER, L.P. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Dollars in thousands)

	Three Months Ended March 31,	
	2022	2021
OPERATING ACTIVITIES		
Net income	$30,998	$15,032
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation, depletion and amortization	47,419	45,213
Non-cash cost of land and improved development	5,359	1,813
Stock-based incentive compensation expense	2,797	2,156
Deferred income taxes	(8,014)	(1,128)
Amortization of losses from pension and postretirement plans	188	294
Other	(2,244)	(3,681)
Changes in operating assets and liabilities:		
Receivables	(27,837)	(3,697)
Inventories	(4,875)	(3,512)
Accounts payable	7,376	6,684
All other operating activities	(1,500)	(5,306)
CASH PROVIDED BY OPERATING ACTIVITIES	49,667	53,868
INVESTING ACTIVITIES		
Capital expenditures	(15,597)	(15,831)
Real estate development investments	(3,137)	(3,011)
Purchase of timberlands	(2,830)	(29,938)
Other	2,619	4,356
CASH USED FOR INVESTING ACTIVITIES	(18,945)	(44,424)
FINANCING ACTIVITIES		
Issuance of debt	404,018	—
Repayment of debt	(526,948)	—
Distributions on units	(40,339)	(38,645)
Proceeds from the issuance of units under incentive stock plan	579	1,166
Proceeds from the issuance of units under the “at-the-market” (ATM) equity offering program, net of commissions and offering costs	30,918	32,545
Repurchase of units to pay withholding taxes on vested incentive stock awards	(214)	(155)
Distributions to noncontrolling interests in consolidated affiliates	(2,684)	(8,737)
CASH USED FOR FINANCING ACTIVITIES	(134,670)	(13,826)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	620	(5)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH		
Change in cash, cash equivalents and restricted cash	(103,328)	(4,387)
Balance, beginning of year	369,139	87,482
Balance, end of period	$265,811	$83,095
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the period:		
Interest (a)	$3,935	$2,945
Income taxes	14,042	4,838
Non-cash investing activity:		
Capital assets purchased on account	4,511	4,814

(a) Interest paid is presented net of patronage payments received of $5.5 million and $6.2 million for the three months ended March 31, 2022 and March 31, 2021, respectively. For additional information on patronage payments, see Note 10 — Debt in the 2021 Form 10-K.

See Notes to Consolidated Financial Statements.

1. BASIS OF PRESENTATION

The unaudited consolidated financial statements and notes thereto of Rayonier Inc. and its subsidiaries and Rayonier, L.P. have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial information and in accordance with the rules and regulations of the Securities and Exchange Commission (the “SEC”).

The Rayonier Inc. and Rayonier, L.P. year-end balance sheet information was derived from audited financial statements not included herein. In the opinion of management, these financial statements and notes reflect any adjustments (all of which are normal recurring adjustments) necessary for a fair presentation of the results of operations, financial position and cash flows for the periods presented. These statements and notes should be read in conjunction with the financial statements and supplementary data included in our Annual Report on Form 10-K for the year ended December 31, 2021, as filed with the SEC (the “2021 Form 10-K”).

As of March 31, 2022, the Company owned a 97.8% interest in the Operating Partnership, with the remaining 2.2% interest owned by limited partners of the Operating Partnership. As the sole general partner of the Operating Partnership, Rayonier Inc. has exclusive control of the day-to-day management of the Operating Partnership.

SUMMARY OF UPDATES TO SIGNIFICANT ACCOUNTING POLICIES

For a full description of our other significant accounting policies, see Note 1 — *Summary of Significant Accounting Policies* in our 2021 Form 10-K.

NEW ACCOUNTING STANDARDS

In March 2020, the Financial Accounting Standards Board (“FASB”) issued ASU No. 2020-04, *Reference Rate Reform (Topic 848)*, which provides optional guidance to ease the potential burden in accounting due to reference rate reform. ASU 2020-04 contains practical expedients for reference rate reform related activities that impact debt, leases, derivatives and other contracts. The guidance in ASU 2020-04 is optional and may be elected over time as reference rate reform activities occur. We have elected to apply the hedge accounting expedients related to probability and the assessments of effectiveness for future LIBOR-indexed cash flows to assume that the index upon which future hedged transactions will be based matches the index on the corresponding derivatives. Application of these expedients preserves the presentation of derivatives consistent with past presentation. We continue to evaluate the impact of the guidance and may apply other elections as applicable as additional changes in the market occur.

In August 2020, the FASB issued ASU 2020-06, *Debt–Debt with Conversion and Other Options (Subtopic 470-20)* and *Derivatives and Hedging–Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity*, which simplifies the accounting for certain financial instruments with characteristics of liabilities and equity. The pronouncement is effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2021, with early adoption permitted. The pronouncement eliminates the requirement that contracts legally permitting settlement in registered shares be classified as temporary equity. As a result, Redeemable Operating Partnership Units may be classified as permanent partners’ capital in the Operating Partnership’s accompanying balance sheets and the related noncontrolling interest as permanent equity in the accompanying balance sheets of Rayonier, Inc. However, the corresponding SEC guidance on equity classification has remained unchanged. We will continue to monitor any developments in this area and may reclassify the temporary partners’ capital and noncontrolling interest to permanent upon agreement in guidance.

Recent accounting pronouncements adopted or pending adoption not discussed above are either not applicable or are not expected to have a material impact on our consolidated financial condition, results of operations, or cash flows.

SUBSEQUENT EVENTS

On April 1, 2022, the New Zealand subsidiary made a capital distribution to its partners on a pro rata basis in order to redeem certain equity interests, which was reinvested by the partners in shareholder loans to the New Zealand subsidiary. Our capital distribution and portion of the shareholder loan are eliminated in consolidation. The capital distribution to the minority shareholder and its reinvestment in the shareholder loan resulted in the recording of a loan payable by the New Zealand subsidiary in the amount of $27.9 million due in 2027 at a fixed rate of 6.48%.

(Dollar amounts in thousands unless otherwise stated)

2. SEGMENT AND GEOGRAPHICAL INFORMATION

Sales between operating segments are made based on estimated fair market value, and intercompany sales, purchases and profits (losses) are eliminated in consolidation. We evaluate financial performance based on segment operating income and Adjusted Earnings before Interest, Taxes, Depreciation, Depletion and Amortization ("Adjusted EBITDA"). Asset information is not reported by segment, as we do not produce asset information by segment internally.

Operating income as presented in the Consolidated Statements of Income and Comprehensive Income is equal to segment income. Certain income (loss) items in the Consolidated Statements of Income and Comprehensive Income are not allocated to segments. These items, which include interest income (expense), miscellaneous income (expense) and income tax expense, are not considered by management to be part of segment operations and are included under "unallocated interest expense and other."

The following tables summarize the segment information for the three months ended March 31, 2022 and 2021:

	Three Months Ended March 31,	
SALES	2022	2021
Southern Timber	$76,763	$51,677
Pacific Northwest Timber	46,281	41,522
New Zealand Timber	51,389	57,579
Timber Funds (a)	—	14,939
Real Estate	34,195	10,504
Trading	13,461	16,665
Intersegment Eliminations (b)	(48)	(1,439)
Total	$222,041	$191,447

(a) The three months ended March 31, 2021 includes $11.9 million of sales attributable to noncontrolling interests in Timber Funds.

(b) Primarily consists of the elimination of timberland investment management fees paid to us by the timber funds, which were initially recognized as sales and cost of sales within the Timber Funds segment, as well as log marketing fees paid to our Trading segment from our Southern Timber and Pacific Northwest Timber segments for marketing log export sales.

	Three Months Ended March 31,	
RATING INCOME	2022	2021
Southern Timber	$30,342	$17,347
Pacific Northwest Timber	6,606	1,350
New Zealand Timber	5,392	13,944
Timber Funds (a)	—	1,501
Real Estate	10,181	1,687
Trading	351	244
Corporate and Other	(7,554)	(7,588)
Total Operating Income	45,318	28,485
Unallocated interest expense and other	(8,805)	(10,032)
Total Income before Income Taxes	$36,513	$18,453

(a) The three months ended March 31, 2021 includes $1.1 million of operating income attributable to noncontrolling interests in Timber Funds.

(Dollar amounts in thousands unless otherwise stated)

DEPRECIATION, DEPLETION AND AMORTIZATION	Three Months Ended March 31, 2022	2021
Southern Timber	$18,059	$14,359
Pacific Northwest Timber	14,916	16,284
New Zealand Timber	4,989	7,250
Timber Funds (a)	—	5,500
Real Estate	9,145	1,557
Corporate and Other	310	263
Total	$47,419	$45,213

(a) The three months ended March 31, 2021 includes $4.9 million of depreciation, depletion and amortization attributable to noncontrolling interests in Timber Funds.

NON-CASH COST OF LAND AND IMPROVED DEVELOPMENT	Three Months Ended March 31, 2022	2021
Real Estate	$5,359	$1,813
Total	$5,359	$1,813

3. REVENUE

PERFORMANCE OBLIGATIONS

We recognize revenue when control of promised goods or services ("performance obligations") is transferred to customers, in an amount that reflects the consideration expected in exchange for those goods or services ("transaction price"). We generally satisfy performance obligations within a year of entering into a contract and therefore have applied the disclosure exemption found under ASC 606-10-50-14. Unsatisfied performance obligations as of March 31, 2022 are primarily due to advances on stumpage contracts, unearned license revenue and post-closing obligations on real estate sales. These performance obligations are expected to be satisfied within the next twelve months. We generally collect payment within a year of satisfying performance obligations and therefore have elected not to adjust revenues for a financing component.

CONTRACT BALANCES

The timing of revenue recognition, invoicing and cash collections results in accounts receivable and deferred revenue (contract liabilities) on the Consolidated Balance Sheets. Accounts receivable are recorded when we have an unconditional right to consideration for completed performance under the contract. Contract liabilities relate to payments received in advance of performance under the contract. Contract liabilities are recognized as revenue as (or when) we perform under the contract.

The following table summarizes revenue recognized during the three months ended March 31, 2022 and 2021 that was included in the contract liability balance at the beginning of each year:

	Three Months Ended March 31, 2022	2021
Revenue recognized from contract liability balance at the beginning of the year (a)	$7,533	$5,920

(a) Revenue recognized was primarily from hunting licenses and the use of advances on pay-as-cut timber sales.

(Dollar amounts in thousands unless otherwise stated)

The following tables present our revenue from contracts with customers disaggregated by product type for the three months ended March 31, 2022 and 2021:

Three Months Ended	Southern Timber	Pacific Northwest Timber	New Zealand Timber	Timber Funds	Real Estate	Trading	Elim.	Total
March 31, 2022								
Pulpwood	$37,611	$2,918	$7,595	—	—	$1,525	—	$49,649
Sawtimber	27,516	42,215	42,100	—	—	11,538	—	123,369
Hardwood	5,849	—	—	—	—	—	—	5,849
Total Timber Sales	70,976	45,133	49,695	—	—	13,063	—	178,867
License Revenue, Primarily From Hunting	4,688	116	62	—	—	—	—	4,866
Other Non-Timber/Carbon Revenue	1,099	1,032	1,632	—	—	—	—	3,763
Agency Fee Income	—	—	—	—	—	350	—	350
Total Non-Timber Sales	5,787	1,148	1,694	—	—	350	—	8,979
Improved Development	—	—	—	—	4,966	—	—	4,966
Rural	—	—	—	—	16,950	—	—	16,950
Timberland & Non-Strategic	—	—	—	—	11,400	—	—	11,400
Deferred Revenue/Other (a)	—	—	—	—	636	—	—	636
Total Real Estate Sales	—	—	—	—	33,952	—	—	33,952
Revenue from Contracts with Customers	76,763	46,281	51,389	—	33,952	13,413	—	221,798
Lease Revenue	—	—	—	—	243	—	—	243
Intersegment	—	—	—	—	—	48	(48)	—
Total Revenue	$76,763	$46,281	$51,389	—	$34,195	$13,461	($48)	$222,041

Three Months Ended	Southern Timber	Pacific Northwest Timber	New Zealand Timber	Timber Funds	Real Estate	Trading	Elim.	Total
March 31, 2021								
Pulpwood	$21,856	$2,495	$9,542	$260	—	$1,835	—	$35,988
Sawtimber	21,963	37,758	47,792	13,308	—	14,389	—	135,210
Hardwood	405	—	—	—	—	—	—	405
Total Timber Sales	44,224	40,253	57,334	13,568	—	16,224	—	171,603
License Revenue, Primarily from Hunting	4,417	91	58	3	—	—	—	4,569
Other Non-Timber/Carbon Revenue	3,036	1,178	187	14	—	—	—	4,415
Agency Fee Income	—	—	—	—	—	356	—	356
Total Non-Timber Sales	7,453	1,269	245	17	—	356	—	9,340
Improved Development	—	—	—	—	252	—	—	252
Rural	—	—	—	—	9,765	—	—	9,765
Deferred Revenue/Other (a)	—	—	—	—	255	—	—	255
Total Real Estate Sales	—	—	—	—	10,272	—	—	10,272
Revenue from Contracts with Customers	51,677	41,522	57,579	13,585	10,272	16,580	—	191,215
Lease Revenue	—	—	—	—	232	—	—	232
Intersegment	—	—	—	1,354	—	85	(1,439)	—
Total Revenue	$51,677	$41,522	$57,579	$14,939	$10,504	$16,665	($1,439)	$191,447

(a) Includes deferred revenue adjustments, revenue true-ups and marketing fees related to Improved Development sales.

(Dollar amounts in thousands unless otherwise stated)

The following tables present our timber sales disaggregated by contract type for the three months ended March 31, 2022 and 2021:

Three Months Ended	Southern Timber	Pacific Northwest Timber	New Zealand Timber	Timber Funds	Trading	Total
March 31, 2022						
Stumpage Pay-as-Cut	$36,206	—	—	—	—	$36,206
Stumpage Lump Sum	—	5,388	—	—	—	5,388
Total Stumpage	36,206	5,388	—	—	—	41,594
Delivered Wood (Domestic)	32,128	39,446	13,481	—	625	85,680
Delivered Wood (Export)	2,642	299	36,214	—	12,438	51,593
Total Delivered	34,770	39,745	49,695	—	13,063	137,273
Total Timber Sales	$70,976	$45,133	$49,695	—	$13,063	$178,867
March 31, 2021						
Stumpage Pay-as-Cut	$21,257	—	—	—	—	$21,257
Stumpage Lump Sum	3	6,131	—	—	—	6,134
Total Stumpage	21,260	6,131	—	—	—	27,391
Delivered Wood (Domestic)	18,059	34,122	17,106	13,568	1,091	83,946
Delivered Wood (Export)	4,905	—	40,228	—	15,133	60,266
Total Delivered	22,964	34,122	57,334	13,568	16,224	144,212
Total Timber Sales	$44,224	$40,253	$57,334	$13,568	$16,224	$171,603

(Dollar amounts in thousands unless otherwise stated)

4. NONCONTROLLING INTERESTS

NONCONTROLLING INTERESTS IN CONSOLIDATED AFFILIATES

Matariki Forestry Group

We maintain a 77% controlling financial interest in Matariki Forestry Group (the “New Zealand subsidiary”), a joint venture that owns or leases approximately 419,000 legal acres of New Zealand timberland. Accordingly, we consolidate the New Zealand subsidiary’s balance sheet and results of operations. Income attributable to the New Zealand subsidiary’s 23% noncontrolling interests is reflected as an adjustment to income in our Consolidated Statements of Income and Comprehensive Income under the caption “Net income attributable to noncontrolling interests in consolidated affiliates.” Rayonier New Zealand Limited (“RNZ”), a wholly-owned subsidiary, serves as the manager of the New Zealand subsidiary.

NONCONTROLLING INTERESTS IN THE OPERATING PARTNERSHIP

Noncontrolling interests in the operating partnership relate to the third-party ownership of Redeemable Operating Partnership Units. Net income attributable to the noncontrolling interests in the operating partnership is computed by applying the weighted average Redeemable Operating Partnership Units outstanding during the period as a percentage of the weighted average total units outstanding to the Operating Partnership’s net income for the period. If a noncontrolling unitholder redeems a unit for a registered common share of Rayonier or cash, the noncontrolling interests in the operating partnership will be reduced and the Company’s share in the Operating Partnership will be increased by the fair value of each security at the time of redemption.

The following table sets forth the Company’s noncontrolling interests in the operating partnership:

	Three Months Ended March 31,	
	2022	2021
Beginning noncontrolling interests in the operating partnership	$133,823	$130,121
Adjustment of noncontrolling interests in the operating partnership	2,645	11,867
Conversions of Redeemable Operating Partnership Units to Common Shares	(104)	(4,715)
Net Income attributable to noncontrolling interests in the operating partnership	669	341
Other Comprehensive Income attributable to noncontrolling interests in the operating partnership	101	1,531
Distributions to noncontrolling interests in the operating partnership	(895)	(1,155)
Total noncontrolling interests in the operating partnership	$136,239	$137,990

(Dollar amounts in thousands unless otherwise stated)

5. EARNINGS PER SHARE AND PER UNIT

The following table provides details of the calculations of basic and diluted earnings per common share of the Company:

	Three Months Ended March 31,	
	2022	2021
Earnings per common share - basic		
Numerator:		
Net Income	$30,998	$15,032
Less: Net income attributable to noncontrolling interests in the operating partnership	(669)	(341)
Less: Net income attributable to noncontrolling interests in consolidated affiliates	(1,012)	(3,843)
Net income attributable to Rayonier Inc.	$29,317	$10,848
Denominator:		
Denominator for basic earnings per common share - weighted average shares	145,430,171	137,870,821
Basic earnings per common share attributable to Rayonier Inc.:	$0.20	$0.08
Earnings per common share - diluted		
Numerator:		
Net Income	$30,998	$15,032
Less: Net income attributable to noncontrolling interests in consolidated affiliates	(1,012)	(3,843)
Net income attributable to Rayonier Inc., before net income attributable to noncontrolling interests in the operating partnership	$29,986	$11,189
Denominator:		
Denominator for basic earnings per common share - weighted average shares	145,430,171	137,870,821
Add: Dilutive effect of:		
Stock options	7,229	4,051
Performance shares, restricted shares and restricted stock units	794,892	353,131
Noncontrolling interests in operating partnership units	3,314,784	4,330,794
Denominator for diluted earnings per common share - adjusted weighted average shares	149,547,076	142,558,797
Diluted earnings per common share attributable to Rayonier Inc.:	$0.20	$0.08

	Three Months Ended March 31,	
	2022	2021
Anti-dilutive shares excluded from the computations of diluted earnings per common share:		
Stock options, performance shares, restricted shares and restricted stock units	254	194,256
Total	254	194,256

(Dollar amounts in thousands unless otherwise stated)

The following table provides details of the calculations of basic and diluted earnings per unit of the Operating Partnership:

	Three Months Ended March 31,	
	2022	2021
Earnings per unit - basic		
Numerator:		
Net Income	$30,998	$15,032
Less: Net income attributable to noncontrolling interests in consolidated affiliates	(1,012)	(3,843)
Net income available to unitholders	$29,986	$11,189
Denominator:		
Denominator for basic earnings per unit - weighted average units	148,744,955	142,201,615
Basic earnings per unit attributable to Rayonier, L.P.:	$0.20	$0.08
Earnings per unit - diluted		
Numerator:		
Net Income	$30,998	$15,032
Less: Net income attributable to noncontrolling interests in consolidated affiliates	(1,012)	(3,843)
Net income available to unitholders	$29,986	$11,189
Denominator:		
Denominator for basic earnings per unit - weighted average units	148,744,955	142,201,615
Add: Dilutive effect of unit equivalents:		
Stock options	7,229	4,051
Performance shares, restricted shares and restricted stock units	794,892	353,131
Denominator for diluted earnings per unit - adjusted weighted average units	149,547,076	142,558,797
Diluted earnings per unit attributable to Rayonier, L.P.:	$0.20	$0.08

	Three Months Ended March 31,	
	2022	2021
Anti-dilutive unit equivalents excluded from the computations of diluted earnings per unit:		
Stock options, performance shares, restricted shares and restricted stock units	254	194,256
Total	254	194,256

(Dollar amounts in thousands unless otherwise stated)

6. DEBT

Our debt consisted of the following at March 31, 2022:

	March 31, 2022
Debt	
Term Credit Agreement borrowings due 2028 at a variable interest rate of 1.9% at March 31, 2022 (a)	$350,000
Senior Notes due 2031 at a fixed interest rate of 2.75%	450,000
Incremental Term Loan Agreement borrowings due 2026 at a variable interest rate of 1.9% at March 31, 2022 (b)	200,000
2021 Incremental Term Loan Facility Borrowings due 2029 at a variable interest rate of 1.8% at March 31, 2022 (c)	200,000
New Zealand subsidiary noncontrolling interests shareholder loan due 2025 at a fixed interest rate of 2.95% (d)	24,005
New Zealand subsidiary noncontrolling interests shareholder loan due 2026 at a fixed interest rate of 3.64% (d)	28,006
New Zealand Working Capital Facility due 2022 at a variable interest rate of 2.1% at March 31, 2022	2,087
Total principal debt	1,254,098
Less: Unamortized discounts	(3,346)
Less: Current maturities of long-term debt	(2,087)
Less: Deferred financing costs	(4,992)
Total long-term debt	$1,243,673

(a) As of March 31, 2022, the periodic interest rate on the term credit agreement (the “Term Credit Agreement”) was LIBOR plus 1.600%. We estimate the effective fixed interest rate on the term loan facility to be approximately 3.0% after consideration of interest rate swaps and estimated patronage refunds.

(b) As of March 31, 2022, the periodic interest rate on the incremental term loan (the “Incremental Term Loan Agreement”) was LIBOR plus 1.650%. We estimate the effective fixed interest rate on the incremental term loan facility to be approximately 2.4% after consideration of interest rate swaps and estimated patronage refunds.

(c) As of March 31, 2022, the periodic interest rate on the 2021 incremental term loan (the “2021 Incremental Term Loan Facility”) was LIBOR plus 1.550%. We estimate the effective fixed interest rate on the incremental term loan facility to be approximately 1.5% after consideration of interest rate swaps and estimated patronage refunds.

(d) Except for changes in the New Zealand foreign exchange rate, there have been no adjustments to the carrying value of the shareholder loans since inception.

Principal payments due during the next five years and thereafter are as follows:

	Total
2022	$2,087
2023	—
2024	—
2025	24,005
2026	228,006
Thereafter	1,000,000
Total Debt	$1,254,098

(Dollar amounts in thousands unless otherwise stated)

2022 DEBT ACTIVITY

U.S. Debt

On January 3, 2022, we drew $200.0 million on our Revolving Credit Facility. On January 4, 2022, we repaid the $325.0 million Senior Notes due 2022 with $125.0 million of cash and the $200.0 million previously drawn on the Revolving Credit Facility. We then made a $200.0 million draw on our 2021 Incremental Term Loan Facility and simultaneously repaid the outstanding principal on our Revolving Credit Facility. The periodic interest rate on the 2021 Incremental Term Loan agreement is subject to a pricing grid based on our leverage ratio, as defined in the credit agreement. As of March 31, 2022, the periodic interest rate on the 2021 Incremental Term Loan is LIBOR plus 1.55%. Monthly payments of interest only are due on this loan through maturity.

On February 1, 2022, our $200.0 million notional forward-starting interest rate swap matured into an active interest rate swap. This interest rate swap will fix the cost of the 2021 Incremental Term Loan Facility over its seven-year term. We estimate the effective interest rate on the 2021 Incremental Term Loan Facility to be approximately 1.5% after consideration of interest rate swaps and estimated patronage refunds.

At March 31, 2022, we had available borrowings of $299.1 million under the Revolving Credit Facility, net of $0.9 million to secure our outstanding letters of credit.

New Zealand Debt

During the three months ended March 31, 2022, the New Zealand subsidiary made $2.1 million of borrowings, net of repayments and changes in exchange rates, on its working capital facility (the “New Zealand Working Capital Facility”). At March 31, 2022, the New Zealand subsidiary had NZ$17.0 million of available borrowings under its working capital facility.

Subsequent Event

In April 2022, the New Zealand subsidiary recorded a noncontrolling interest share redemption and loan payable in the amount of $27.9 million. The shareholder loan is due in 2027 at a fixed rate of 6.48%. See Note 1 — Basis of Presentation for more information regarding subsequent events related to the New Zealand subsidiary.

DEBT COVENANTS

In connection with our $350 million Term Credit Agreement, $200 million Incremental Term Loan Agreement, $200 million 2021 Incremental Term Loan Facility and $300 million Revolving Credit Facility, customary covenants must be met, the most significant of which include interest coverage and leverage ratios.

The covenants listed below, which are the most significant financial covenants in effect as of March 31, 2022, are calculated on a trailing 12-month basis:

	Covenant Requirement	Actual Ratio	Favorable
Covenant EBITDA to consolidated interest expense should not be less than	2.5 to 1	13.6 to 1	11.1
Covenant debt to covenant net worth plus covenant debt shall not exceed	65 %	40 %	25 %

In addition to these financial covenants listed above, the Senior Notes due 2031, Term Credit Agreement, Incremental Term Loan Agreement, 2021 Incremental Term Loan Facility, and Revolving Credit Facility include customary covenants that limit the incurrence of debt and the disposition of assets, among others. At March 31, 2022, we were in compliance with all applicable covenants.

7. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

We are exposed to market risk related to potential fluctuations in foreign currency exchange rates and interest rates. We use derivative financial instruments to mitigate the financial impact of exposure to these risks.

Accounting for derivative financial instruments is governed by ASC Topic 815, *Derivatives and Hedging*, ("ASC 815"). In accordance with ASC 815, we record our derivative instruments at fair value as either assets or liabilities in the Consolidated Balance Sheets. Changes in the instruments' fair value are accounted for based on their intended use. Gains and losses on derivatives that are designated and qualify for cash flow hedge accounting are recorded as a component of accumulated other comprehensive income ("AOCI") and reclassified into earnings when the hedged transaction materializes. Gains and losses on derivatives that are designated and qualify for net investment hedge accounting are recorded as a component of AOCI and will not be reclassified into earnings until the investment is partially or completely liquidated. The changes in the fair value of derivatives not designated as hedging instruments and those which are no longer effective as hedging instruments, are recognized immediately in earnings.

FOREIGN CURRENCY EXCHANGE AND OPTION CONTRACTS

The New Zealand subsidiary's export sales are predominately denominated in U.S. dollars, and therefore its cash flows are affected by fluctuations in the exchange rate between the New Zealand dollar and the U.S. dollar. This exposure is partially managed by a natural currency hedge, as ocean freight payments and shareholder distributions are also paid in U.S. dollars. We manage any excess foreign exchange exposure through the use of derivative financial instruments. The New Zealand subsidiary typically hedges 50% to 90% of its estimated foreign currency exposure with respect to the following twelve months forecasted sales and purchases, less distributions, and up to 75% of the forward 12 to 18 months. Additionally, the New Zealand subsidiary will occasionally hedge up to 50% of its estimated foreign currency exposure with respect to the following 18 to 48 months forecasted sales and purchases, less distributions, when the New Zealand dollar is at a cyclical low versus the U.S. dollar. Foreign currency exposure from the New Zealand subsidiary's trading operations is typically hedged based on the following three months forecasted sales and purchases. As of March 31, 2022, foreign currency exchange contracts and foreign currency option contracts had maturity dates through February 2024 and December 2023, respectively.

Foreign currency exchange and option contracts hedging foreign currency risk on export sales and ocean freight payments qualify for cash flow hedge accounting. We may de-designate these cash flow hedge relationships in advance or at the occurrence of the forecasted transaction. The portion of gains or losses on the derivative instrument previously accumulated in other comprehensive income for de-designated hedges remains in accumulated other comprehensive income until the forecasted transaction affects earnings. Changes in the value of derivative instruments after de-designation are recorded in earnings.

(Dollar amounts in thousands unless otherwise stated)

INTEREST RATE PRODUCTS

We are exposed to cash flow interest rate risk on our variable-rate debt and on anticipated debt issuances. We use variable-to-fixed interest rate swaps and forward-starting interest rate swap agreements to hedge this exposure. For these derivative instruments, we report the gains/losses from the fluctuations in the fair market value of the hedges in AOCI and reclassify them to earnings as interest expense in the same period in which the hedged interest payments affect earnings.

To the extent we de-designate or terminate a cash flow hedging relationship and the associated hedged item continues to exist, any unrealized gain or loss of the cash flow hedge at the time of de-designation remains in AOCI and is amortized using the straight-line method through interest expense over the remaining life of the hedged item. To the extent the associated hedged item is no longer effective, the gain or loss is reclassified out of AOCI to earnings immediately.

INTEREST RATE SWAPS

The following table contains information on the outstanding interest rate swaps as of March 31, 2022:

Outstanding Interest Rate Swaps (a)						
Date Entered Into	Term	Notional Amount	Related Debt Facility	Fixed Rate of Swap	Bank Margin on Debt	Total Effective Interest Rate (b)
August 2015	9 years	$170,000	Term Credit Agreement	2.20 %	1.60 %	3.80 %
August 2015	9 years	180,000	Term Credit Agreement	2.35 %	1.60 %	3.95 %
April 2016	10 years	100,000	Incremental Term Loan	1.60 %	1.65 %	3.25 %
April 2016	10 years	100,000	Incremental Term Loan	1.60 %	1.65 %	3.25 %
May 2021 (c)(d)	7 years	200,000	2021 Incremental Term Loan Facility	0.77 %	1.55 %	2.32 %

(a) All interest rate swaps have been designated as interest rate cash flow hedges and qualify for hedge accounting.
(b) Rate is before estimated patronage payments.
(c) On February 1, 2022, our $200.0 million notional forward-starting interest rate swap matured into an active interest rate swap. See Note 6 - Debt for additional information.
(d) The $200.0 million notional interest rate swap contained an embedded mark-to-market gain, which we recovered through a reduced charge in the fixed rate over what would have been charged for an at-market swap.

FORWARD-STARTING INTEREST RATE SWAPS

The following table contains information on the outstanding forward-starting interest rate swaps as of March 31, 2022:

Outstanding Forward-Starting Interest Rate Swaps (a)						
Date Entered Into	Term	Notional Amount	Fixed Rate of Swap	Related Debt Facility	Forward Date	Maximum Period Ending for Forecasted Issuance Date
April 2020	4 years	$100,000	0.88 %	Term Credit Agreement	August 2024	N/A
May 2020	4 years	50,000	0.74 %	Term Credit Agreement	August 2024	N/A

(a) All forward-starting interest rate swaps have been designated as interest rate cash flow hedges and qualify for hedge accounting.

(Dollar amounts in thousands unless otherwise stated)

The following tables demonstrate the impact, gross of tax, of our derivatives on the Consolidated Statements of Income and Comprehensive Income for the three months ended March 31, 2022 and 2021:

		Three Months Ended March 31,	
	Income Statement Location	2022	2021
Derivatives designated as cash flow hedges:			
Foreign currency exchange contracts	Other comprehensive (loss) income	$3,514	($2,852)
Foreign currency option contracts	Other comprehensive (loss) income	136	(929)
Interest rate products	Other comprehensive (loss) income	35,129	59,731
	Interest expense	2,670	3,994

During the next 12 months, the amount of the March 31, 2022 AOCI balance, net of tax, expected to be reclassified into earnings is a gain of approximately $0.3 million. The following table contains details of the expected reclassified amounts into earnings:

	Amount expected to be reclassified into earnings in next 12 months
Derivatives designated as cash flow hedges:	
Foreign currency exchange contracts	$246
Interest rate products	56
Total estimated gain on derivatives contracts	$302

The following table contains the notional amounts of the derivative financial instruments recorded in the Consolidated Balance Sheets:

	Notional Amount	
	March 31, 2022	December 31, 2021
Derivatives designated as cash flow hedges:		
Foreign currency exchange contracts	$149,500	$149,250
Foreign currency option contracts	14,000	14,000
Interest rate swaps	750,000	550,000
Forward-starting interest rate swaps	150,000	350,000

(Dollar amounts in thousands unless otherwise stated)

The following table contains the fair values of the derivative financial instruments recorded in the Consolidated Balance Sheets at March 31, 2022 and December 31, 2021. Changes in balances of derivative financial instruments are recorded as operating activities in the Consolidated Statements of Cash Flows:

	Location on Balance Sheet	Fair Value Assets / (Liabilities) (a)	
		March 31, 2022	December 31, 2021
Derivatives designated as cash flow hedges:			
Foreign currency exchange contracts	Other current assets	$712	$721
	Other assets	1,241	86
	Other current liabilities	(369)	(2,061)
	Other non-current liabilities	(18)	(694)
Foreign currency option contracts	Other assets	318	228
	Other non-current liabilities	(224)	(270)
Interest rate swaps	Other assets	26,912	—
Interest rate swaps	Other non-current liabilities	—	(15,582)
Forward-starting interest rate swaps	Other assets	6,699	11,482
Total derivative contracts:			
Other current assets		$712	$721
Other assets		35,170	11,796
Total derivative assets		$35,882	$12,517
Other current liabilities		(369)	(2,061)
Other non-current liabilities		(242)	(16,546)
Total derivative liabilities		($611)	($18,607)

(a) See Note 8 — Fair Value Measurements for further information on the fair value of our derivatives including their classification within the fair value hierarchy.

OFFSETTING DERIVATIVES

Derivative financial instruments are presented at their gross fair values in the Consolidated Balance Sheets. Our derivative financial instruments are not subject to master netting arrangements, which would allow the right of offset.

(Dollar amounts in thousands unless otherwise stated)

8. FAIR VALUE MEASUREMENTS

FAIR VALUE OF FINANCIAL INSTRUMENTS

A three-level hierarchy that prioritizes the inputs used to measure fair value was established in the Accounting Standards Codification as follows:

Level 1 — Quoted prices in active markets for identical assets or liabilities.

Level 2 — Observable inputs other than quoted prices included in Level 1.

Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following table presents the carrying amount and estimated fair values of our financial instruments as of March 31, 2022 and December 31, 2021, using market information and what we believe to be appropriate valuation methodologies under GAAP:

	March 31, 2022			December 31, 2021		
	Carrying Amount	Fair Value		Carrying Amount	Fair Value	
Asset (Liability) (a)		Level 1	Level 2		Level 1	Level 2
Cash and cash equivalents, excluding Timber Funds	$256,537	$256,537	—	$358,680	$358,680	—
Cash and cash equivalents, Timber Funds	3,185	3,185	—	3,493	3,493	—
Restricted cash, Timber Funds (b)	5,464	5,464	—	6,341	6,341	—
Restricted cash, excluding Timber Funds (c)	625	625	—	625	625	—
Current maturities of long-term debt (d)	(2,087)	—	(2,087)	(124,965)	—	(125,288)
Long-term debt (d)	(1,243,673)	—	(1,209,595)	(1,242,819)	—	(1,245,148)
Interest rate swaps (e)	26,912	—	26,912	(15,582)	—	(15,582)
Forward-starting interest rate swaps (e)	6,699	—	6,699	11,482	—	11,482
Foreign currency exchange contracts (e)	1,566	—	1,566	(1,948)	—	(1,948)
Foreign currency option contracts (e)	94	—	94	(42)	—	(42)
Noncontrolling interests in the operating partnership (f)	136,239	136,239	—	133,823	133,823	—

(a) We did not have Level 3 assets or liabilities at March 31, 2022 and December 31, 2021.

(b) Restricted cash, Timber Funds represents the portion of proceeds from Fund II Timberland Dispositions required to be distributed to noncontrolling interests. See Note 19 — Restricted Cash for additional information.

(c) Restricted cash, excluding Timber Funds represents cash held in escrow. See Note 19 — Restricted Cash for additional information.

(d) The carrying amount of long-term debt is presented net of deferred financing costs and unamortized discounts on non-revolving debt. See Note 6 — Debt for additional information.

(e) See Note 7 — Derivative Financial Instruments and Hedging Activities for information regarding the Consolidated Balance Sheets classification of our derivative financial instruments.

(f) Noncontrolling interests in the operating partnership is neither an asset nor liability and is classified as temporary equity in the Company's Consolidated Balance Sheets. This relates to the ownership of Rayonier, L.P. units by various individuals and entities other than the Company. See Note 4 — Noncontrolling Interests for additional information.

We use the following methods and assumptions in estimating the fair value of our financial instruments:

Cash and cash equivalents and Restricted cash — The carrying amount is equal to fair market value.

Debt — The fair value of fixed rate debt is based upon quoted market prices for debt with similar terms and maturities. The variable rate debt adjusts with changes in the market rate, therefore the carrying value approximates fair value.

Interest rate swap agreements — The fair value of interest rate contracts is determined by discounting the expected future cash flows, for each instrument, at prevailing interest rates.

(Dollar amounts in thousands unless otherwise stated)

Foreign currency exchange contracts — The fair value of foreign currency exchange contracts is determined by a mark-to-market valuation, which estimates fair value by discounting the difference between the contracted forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate.

Foreign currency option contracts — The fair value of foreign currency option contracts is based on a mark-to-market calculation using the Black-Scholes option pricing model.

Noncontrolling interests in the operating partnership — The fair value of noncontrolling interests in the operating partnership is determined based on the period-end closing price of Rayonier Inc. common shares.

9. COMMITMENTS

At March 31, 2022, the future minimum payments under non-cancellable commitments were as follows:

	Environmental Remediation (a)	Development Projects (b)	Commitments (c)	Total
Remaining 2022	$740	$17,803	$9,002	$27,545
2023	3,873	3,239	11,174	18,286
2024	3,840	267	8,233	12,340
2025	1,036	267	4,494	5,797
2026	460	267	2,558	3,285
Thereafter	1,374	3,944	3,306	8,624
	$11,323	$25,787	$38,767	$75,877

(a) Environmental remediation represents our estimate of potential liability associated with environmental contamination and Natural Resource Damages (NRD) in Port Gamble, Washington. See Note 11 - Environmental and Natural Resource Damage Liabilities for additional information.
(b) Primarily consisting of payments expected to be made on our Wildlight and Heartwood development projects.
(c) Commitments include payments expected to be made on financial instruments (foreign exchange contracts, interest rate swaps and forward-starting interest rate swaps) and other purchase obligations.

10. CONTINGENCIES

We have been named as a defendant in various lawsuits and claims arising in the normal course of business. While we have procured reasonable and customary insurance covering risks normally occurring in connection with our businesses, we have in certain cases retained some risk through the operation of large deductible insurance plans, primarily in the areas of executive risk, property, automobile and general liability. These pending lawsuits and claims, either individually or in the aggregate, are not expected to have a material adverse effect on our financial position, results of operations, or cash flow.

(Dollar amounts in thousands unless otherwise stated)

11. ENVIRONMENTAL AND NATURAL RESOURCE DAMAGE LIABILITIES

Various federal and state environmental laws in the states in which we operate place cleanup or restoration liability on the current and former owners of affected real estate. These laws are often a source of “strict liability,” meaning that an owner or operator need not necessarily have caused, or even been aware of, the release of contaminated materials. Similarly, there are certain environmental laws that allow state, federal, and tribal trustees (collectively, the “Trustees”) to bring suit against property owners to recover damage for injuries to natural resources. Like the liability that attaches to current property owners in the cleanup context, liability for natural resource damages (“NRD”) can attach to a property simply because an injury to natural resources resulted from releases of contaminated materials on or from the owner’s property, regardless of culpability for the release.

Changes in environmental and NRD liabilities from December 31, 2021 to March 31, 2022 are shown below:

	Port Gamble, WA
Non-current portion at December 31, 2021	$10,110
Plus: Current portion	695
Total Balance at December 31, 2021	10,805
Expenditures charged to liabilities	(136)
Increase to liabilities	654
Total Balance at March 31, 2022	11,323
Less: Current portion	(774)
Non-current portion at March 31, 2022	$10,549

It is expected that the upland mill site cleanup and NRD restoration will occur over the next two to three years, while the monitoring of Port Gamble Bay, mill site and landfills will continue for an additional 10 to 15 years. NRD costs are subject to change as the scope of the restoration projects become more clearly defined. It is reasonably possible that these components of the liability may increase as the project progresses. Management continues to monitor the Port Gamble cleanup process and will make adjustments as needed. Should any future circumstances result in a change to the estimated cost of the project, we will record an appropriate adjustment to the liability in the period it becomes known and when we can reasonably estimate the amount. For further information on the timing and amount of future payments related to our environmental remediation liabilities, see Note 9 - Commitments.

12. GUARANTEES

We provide financial guarantees as required by creditors, insurance programs, and various governmental agencies.

As of March 31, 2022, the following financial guarantees were outstanding:

Financial Commitments (a)	Maximum Potential Payment
Standby letters of credit	$885
Surety bonds (b)	23,920
Total financial commitments	$24,805

(a) We have not recorded any liabilities for these financial commitments in our Consolidated Balance Sheets. The guarantees are not subject to measurement, as the guarantees are dependent on our own performance.
(b) Surety bonds are issued primarily to secure performance obligations related to various operational activities, to provide collateral for our Wildlight development project in Nassau County, Florida and in connection with pending and completed sales from the Harbor Hill project in Gig Harbor, Washington. These surety bonds expire at various dates during 2022, 2023, 2024 and 2025 and are expected to be renewed as required.

(Dollar amounts in thousands unless otherwise stated)

13. HIGHER AND BETTER USE TIMBERLANDS AND REAL ESTATE DEVELOPMENT INVESTMENTS

We routinely assess potential alternative uses of our timberlands, as some properties may become more valuable for development, residential, recreation or other purposes. We periodically transfer, via a sale or contribution from the real estate investment trust ("REIT") entities to taxable REIT subsidiaries ("TRS"), higher and better use ("HBU") timberlands to enable land-use entitlement, development or marketing activities. We also acquire HBU properties in connection with timberland acquisitions. These properties are managed as timberlands until sold or developed. While the majority of HBU sales involve rural and recreational land, we also selectively pursue various land-use entitlements on certain properties for residential, commercial and industrial development in order to enhance the long-term value of such properties. For selected development properties, we also invest in targeted infrastructure improvements, such as roadways and utilities, to accelerate the marketability and improve the value of such properties.

Changes in higher and better use timberlands and real estate development investments from December 31, 2021 to March 31, 2022 are shown below:

	Higher and Better Use Timberlands and Real Estate Development Investments		
	Land and Timber	Development Investments	Total
Non-current portion at December 31, 2021	$87,910	$18,968	$106,878
Plus: Current portion (a)	718	24,022	24,740
Total Balance at December 31, 2021	88,628	42,990	131,618
Non-cash cost of land and improved development	(378)	(2,308)	(2,686)
Amortization of parcel real estate development investments	—	(1,964)	(1,964)
Timber depletion from harvesting activities and basis of timber sold in real estate sales	(445)	—	(445)
Capitalized real estate development investments (b)	—	4,435	4,435
Capital expenditures (silviculture)	139	—	139
Intersegment transfers	3,977	—	3,977
Total Balance at March 31, 2022	91,921	43,153	135,074
Less: Current portion (a)	(415)	(23,214)	(23,629)
Non-current portion at March 31, 2022	$91,506	$19,939	$111,445

(a) The current portion of Higher and Better Use Timberlands and Real Estate Development Investments is recorded in Inventory. See Note 14 — Inventory for additional information.
(b) Capitalized real estate development investments include $0.2 million of capitalized interest and $1.3 million of parcel real estate development investments. Parcel real estate development investments represent investments made for specific lots and/or commercial parcels that are currently under contract or expected to be ready for market within a year.

14. INVENTORY

As of March 31, 2022 and December 31, 2021, our inventory consisted entirely of finished goods, as follows:

	March 31, 2022	December 31, 2021
Finished goods inventory		
Real estate inventory (a)	$23,629	$24,740
Log inventory	9,661	3,783
Total inventory	$33,290	$28,523

(a) Represents the cost of HBU real estate (including capitalized development investments) under contract to be sold. See Note 13 — Higher And Better Use Timberlands and Real Estate Development Investments for additional information.

(Dollar amounts in thousands unless otherwise stated)

15. OTHER OPERATING (EXPENSE) INCOME, NET

Other operating (expense) income, net consisted of the following:

	Three Months Ended March 31,	
	2022	2021
(Loss) gain on foreign currency remeasurement, net of cash flow hedges	($571)	$2,429
Gain on sale or disposal of property and equipment	25	90
Log trading marketing fees	—	6
Equity (loss) income related to Bainbridge Landing LLC joint venture	(227)	19
Miscellaneous expense, net	(211)	(96)
Total	($984)	$2,448

16. EMPLOYEE BENEFIT PLANS

We have one qualified non-contributory defined benefit pension plan covering a portion of our employees and an unfunded plan that provides benefits in excess of amounts allowable under current tax law in the qualified plans. We closed enrollment in the pension plans to salaried employees hired after December 31, 2005. Effective December 31, 2016, we froze benefits for all employees participating in the pension plan. In lieu of the pension plan, we provide those employees with an enhanced 401(k) plan match similar to what is currently provided to employees hired after December 31, 2005. Employee benefit plan liabilities are calculated using actuarial estimates and management assumptions. These estimates are based on historical information, along with certain assumptions about future events. Changes in assumptions, as well as changes in actual experience, could cause the estimates to change.

We are not required to make mandatory 2022 pension contributions due to our plan's improved funding status and have made no pension contribution payments during the three months ended March 31, 2022.

The net pension and postretirement benefit (credits) costs that have been recorded are shown in the following table:

		Pension		Postretirement	
		Three Months Ended March 31,		Three Months Ended March 31,	
Components of Net Periodic Benefit (Credit) Cost	Income Statement Location	2022	2021	2022	2021
Service cost	Selling and general expenses	—	—	$2	$2
Interest cost	Interest and other miscellaneous expense, net	609	557	13	11
Expected return on plan assets (a)	Interest and other miscellaneous expense, net	(872)	(936)	—	—
Amortization of losses	Interest and other miscellaneous expense, net	184	288	4	5
Net periodic benefit (credit) cost		($79)	($91)	$19	$18

(a) The weighted-average expected long-term rate of return on plan assets used in computing 2022 net periodic benefit cost for pension benefits is 5.0%.

(Dollar amounts in thousands unless otherwise stated)

17. INCOME TAXES

Rayonier is a REIT under the Internal Revenue Code and therefore generally does not pay U.S. federal or state income tax. As of March 31, 2022, Rayonier owns a 97.8% interest in the Operating Partnership and conducts substantially all of its timberland operations through the Operating Partnership. The taxable income or loss generated by the Operating Partnership is passed through and reported to its unit holders (including the Company) on a Schedule K-1 for inclusion in each unitholder's income tax return.

Certain operations, including log trading and certain real estate activities, such as the entitlement, development and sale of HBU properties, are conducted through our TRS. The TRS subsidiaries are subject to United States federal and state corporate income tax. The New Zealand timber operations are conducted by the New Zealand subsidiary, which is subject to corporate-level tax at 28% in New Zealand and is treated as a partnership for U.S. income tax purposes.

PROVISION FOR INCOME TAXES

The Company's tax expense is principally related to corporate-level tax in New Zealand and non-resident withholding tax on repatriation of earnings from New Zealand. The following table contains the income tax expense recognized on the Consolidated Statements of Income and Comprehensive Income:

	Three Months Ended March 31,	
	2022	2021
Income tax expense	($5,515)	($3,421)

ANNUAL EFFECTIVE TAX RATE

The Company's 2022 effective tax rate after discrete items is below the 21.0% U.S. statutory rate due to tax benefits associated with being a REIT. The following table contains the Company's annualized effective tax rate after discrete items:

	Three Months Ended March 31,	
	2022	2021
Annualized effective tax rate after discrete items	10.5 %	11.6 %

(Dollar amounts in thousands unless otherwise stated)

18. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The following table summarizes the changes in AOCI by component for the three months ended March 31, 2022 and the year ended December 31, 2021. All amounts are presented net of tax and exclude portions attributable to noncontrolling interests.

	Foreign currency translation (loss) gains	Net investment hedges of New Zealand subsidiary	Cash flow hedges	Employee benefit plans	Total Rayonier, L.P.	Allocation to Operating Partnership	Total Rayonier Inc.
Balance as of December 31, 2020	$22,702	$1,321	($71,056)	($24,312)	($71,345)	(2,540)	($73,885)
Other comprehensive income (loss) before reclassifications	(18,487)	—	44,899 (a)	11,302	37,714	(1,080)	36,634
Amounts reclassified from accumulated other comprehensive income (loss)	—	—	16,994	1,174 (b)	18,168	(521)	17,647
Net other comprehensive income (loss)	(18,487)	—	61,893	12,476	55,882	(1,601)	54,281
Balance as of December 31, 2021	$4,215	$1,321	($9,163)	($11,836)	($15,463)	($4,141)	($19,604)
Other comprehensive (loss) income before reclassifications	5,668	—	37,147 (a)	—	42,815	(954)	41,861
Amounts reclassified from accumulated other comprehensive income (loss)	—	—	2,675	188 (b)	2,863	853	3,716
Net other comprehensive income (loss)	5,668	—	39,822	188	45,678	(101)	45,577
Balance as of March 31, 2022	$9,883	$1,321	$30,659	($11,648)	$30,215	($4,242)	$25,973

(a) The year ended December 31, 2021 and the three months ended March 31, 2022 include $52.5 million and $35.1 million, respectively, of other comprehensive income related to interest rate products. See Note 7 — Derivative Financial Instruments and Hedging Activities for additional information.

(b) This component of other comprehensive income (loss) is included in the computation of net periodic pension and post-retirement costs. See Note 16 — Employee Benefit Plans for additional information.

(Dollar amounts in thousands unless otherwise stated)

The following table presents details of the amounts reclassified in their entirety from AOCI to net income for the three months ended March 31, 2022 and March 31, 2021:

Details about accumulated other comprehensive income (loss) components	Amount reclassified from accumulated other comprehensive income (loss)		Affected line item in the income statement
	March 31, 2022	March 31, 2021	
Realized loss on foreign currency exchange contracts	$9	$1,205	Other operating (expense) income, net
Realized loss on foreign currency option contracts	—	594	Other operating (expense) income, net
Noncontrolling interests	(2)	(414)	Comprehensive income attributable to noncontrolling interests
Realized loss on interest rate contracts	2,670	3,994	Interest expense
Income tax effect from net loss on foreign currency contracts	(2)	(388)	Income tax expense
Net loss on cash flow hedges reclassified from accumulated other comprehensive income	$2,675	$4,991	

(Dollar amounts in thousands unless otherwise stated)

19. RESTRICTED CASH

Restricted cash, Timber Funds includes the portion of proceeds from Fund II Timberland Dispositions required to be distributed to noncontrolling interests. Restricted cash, excluding Timber Funds, includes cash balances held in escrow as collateral for certain contractual obligations related to our Heartwood development project as well as cash held in escrow for real estate sales.

The following table provides a reconciliation of cash, cash equivalents and restricted cash in the Consolidated Balance Sheets that sum to the total of the same such amounts in the Consolidated Statements of Cash Flows for the three months ended March 31, 2022 and 2021:

	Three Months Ended March 31,	
	2022	2021
Cash and cash equivalents	$259,722	$82,620
Restricted cash, Timber Funds	5,464	—
Restricted cash, excluding Timber Funds (Held in escrow)	625	475
Total cash, cash equivalents and restricted cash shown in the Consolidated Statements of Cash Flows	$265,811	$83,095

20. ASSETS HELD FOR SALE

Assets held for sale is composed of properties under contract and expected to be sold within 12 months that also meet the other relevant held-for-sale criteria in accordance with ASC 360-10-45-9. As of March 31, 2022 and December 31, 2021, the basis in properties meeting this classification was $2.5 million and $5.1 million, respectively. Since the basis in these properties was less than the fair value, including costs to sell, no impairment was recognized.

21. RELATED PARTY

In January 2020, we entered into an agreement to sell developed lots to Mattamy Jacksonville LLC, a wholly owned subsidiary of Mattamy Homes, for an aggregate base purchase price of $4.45 million (subject to multiple takedowns over a 2 year period), plus additional consideration as to each lot to the extent the ultimate sales price of each finished home exceeds agreed price thresholds (the “Mattamy Contract”). In May 2021, we entered into an amendment to the original agreement for the sale of additional lots to Mattamy for an aggregate base purchase price of $1.0 million. The Mattamy contract also includes marketing fee revenue based on a percentage of the sales price of each finished home.

In September 2020, Keith Bass, a member of our Board of Directors, was named the Chief Executive Officer of Mattamy Homes US. Following this development, the Mattamy Contract and the ongoing obligations therein, were reviewed by the Nominating and Corporate Governance Committee in accordance with established policies and procedures regarding the authorization and approval of transactions with related parties.

The following table demonstrates the impact, gross of tax, of our related party transactions on the Consolidated Statements of Income and Comprehensive Income for the three months ended:

		Three Months Ended March 31,	
Related Party Transaction	Location on Statement of Income and Comprehensive Income	2022	2021
Mattamy Contract	Sales (a)	$174	$42

(a) The three months ended March 31, 2021 exclude approximately $0.1 million of cash received from Mattamy Jacksonville LLC under this agreement for the reimbursement of local impact fees.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS ("MD&A")

When we refer to "Rayonier" or "the Company" we mean Rayonier Inc. and its consolidated subsidiaries. References to the "Operating Partnership" mean Rayonier, L.P. and its consolidated subsidiaries. References to "we," "us," or "our," mean collectively Rayonier Inc., the Operating Partnership and entities/subsidiaries owned or controlled by Rayonier Inc. and/or the Operating Partnership. References herein to "Notes to Financial Statements" refer to the Notes to Consolidated Financial Statements of Rayonier Inc. and Rayonier, L.P. included in Item 1 of this report.

This MD&A is intended to provide a reader of our financial statements with a narrative from the perspective of management on our financial condition, results of operations, liquidity, and certain other factors which may affect future results. Our MD&A should be read in conjunction with our Consolidated Financial Statements included in Item 1 of this report, our Annual Report on Form 10-K for the year ended December 31, 2021 (the "2021 Form 10-K") and information contained in our subsequent reports filed with the Securities and Exchange Commission (the "SEC").

FORWARD-LOOKING STATEMENTS

Certain statements in this document regarding anticipated financial outcomes, including our earnings guidance, if any, business and market conditions, outlook, expected dividend rate, our business strategies, including the potential effects of the ongoing global novel coronavirus ("COVID-19") pandemic, expected harvest schedules, timberland acquisitions and dispositions, the anticipated benefits of our business strategies, and other similar statements relating to our future events, developments, or financial or operational performance or results, are "forward-looking statements" made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. These forward-looking statements are identified by the use of words such as "may," "will," "should," "expect," "estimate," "believe," "intend," "project," "anticipate" and other similar language. However, the absence of these or similar words or expressions does not mean that a statement is not forward-looking. While management believes that these forward-looking statements are reasonable when made, forward-looking statements are not guarantees of future performance or events and undue reliance should not be placed on these statements. The risk factors contained in Item 1A — *Risk Factors* in our 2021 Form 10-K, Part II, Item 1A — Risk Factors in this report and similar discussions included in other reports that we subsequently file with the SEC, among others, could cause actual results or events to differ materially from our historical experience and those expressed in forward-looking statements made in this document.

Forward-looking statements are only as of the date they are made, and we undertake no duty to update our forward-looking statements except as required by law. You are advised, however, to review any subsequent disclosures we make on related subjects in subsequent reports filed with the SEC.

NON-GAAP MEASURES

To supplement our financial statements presented in accordance with generally accepted accounting principles in the United States ("GAAP"), we use certain non-GAAP measures, including "Cash Available for Distribution," and "Adjusted EBITDA," which are defined and further explained in *Performance and Liquidity Indicators* below. Reconciliation of such measures to the nearest GAAP measures can also be found in *Performance and Liquidity Indicators* below. Our definitions of these non-GAAP measures may differ from similarly titled measures used by others. These non-GAAP measures should be considered supplemental to, and not a substitute for, financial information prepared in accordance with GAAP.

OUR COMPANY

We are a leading timberland real estate investment trust ("REIT") with assets located in some of the most productive softwood timber growing regions in the United States and New Zealand. We invest in timberlands and actively manage them to provide current income and attractive long-term returns to our shareholders. We conduct our business through an umbrella partnership real estate investment trust ("UPREIT") structure in which our assets are owned by our Operating Partnership and its subsidiaries. Rayonier manages the Operating Partnership as its sole general partner. Our revenues, operating income and cash flows are primarily derived from the following core business segments: Southern Timber, Pacific Northwest Timber, New Zealand Timber, Real Estate, and Trading. As of March 31, 2022, we owned or leased under long-term agreements approximately 2.7 million acres of timberlands located in the U.S. South (1.80 million acres), U.S. Pacific Northwest (486,000 acres) and New Zealand (419,000 gross acres or 297,000 net plantable acres).

SEGMENT INFORMATION

The Southern Timber, Pacific Northwest Timber and New Zealand Timber segments include all activities related to the harvesting of timber and other non-timber income activities, such as the licensing of properties for hunting, the leasing of properties for mineral extraction and cell towers, and carbon credit sales. Our New Zealand operations are conducted by Matariki Forestry Group, a joint venture (the "New Zealand subsidiary"), in which we maintain a 77% ownership interest. See Note 4 - Noncontrolling Interests for additional information regarding our noncontrolling interests in the New Zealand Timber segment.

The Real Estate segment includes all U.S. and New Zealand land or leasehold sales disaggregated into six sales categories: Improved Development, Unimproved Development, Rural, Timberland & Non-Strategic, Conservation Easements and Large Dispositions. It also includes residential and commercial lease activity, primarily in the town of Port Gamble, Washington.

The Trading segment primarily reflects log trading activities in New Zealand and Australia conducted by our New Zealand subsidiary. It also includes log trading activities conducted from the U.S. South and Pacific Northwest. Our Trading segment activities include an export services joint venture with a third-party forest manager in which Matariki Forests Trading Ltd maintains a 50% ownership interest. The Trading segment complements the New Zealand Timber segment by providing added market intelligence, increasing the scale of export operations and achieving cost savings that directly benefit the New Zealand Timber segment. This additional market intelligence also benefits our Southern and Pacific Northwest export log marketing.

ENVIRONMENTAL MATTERS

For a full description of our environmental matters, see Item 1 - "Business" in our Annual Report on Form 10-K for the year ended December 31, 2021 and our sustainability report located at our Responsible Stewardship webpage.

INDUSTRY AND MARKET CONDITIONS

The demand for timber is directly related to the underlying demand for pulp, paper, packaging, lumber and other wood products. The significant majority of timber sold in our Southern Timber segment is consumed domestically. With a higher proportion of pulpwood, our Southern Timber segment relies heavily on downstream markets for pulp and paper, and to a lesser extent wood pellet markets. Our Pacific Northwest Timber segment relies primarily on domestic customers but also exports a significant volume of timber, particularly to China. The Southern Timber and Pacific Northwest Timber segments rely on the strength of U.S. lumber markets as well as underlying housing starts. Our New Zealand Timber segment sells timber to domestic New Zealand wood products mills and also exports a significant portion of its volume to markets in China, South Korea and India. In addition to market dynamics in the Pacific Rim, the New Zealand Timber segment is subject to foreign exchange fluctuations, which can impact the operating results of the segment in U.S. dollar terms.

Global log and lumber markets were volatile during the first quarter as sanctions were placed on Russia in response to their invasion of Ukraine. While we do not expect our operations to be directly impacted by the conflict at this time, changes in global wood and commodity flows could impact the markets in which we operate.

As the current COVID-19 pandemic continues to evolve, the expected duration and the extent of economic disruption it may ultimately cause remain uncertain. Local, state and national governments continue to evaluate policies and restrictions in order to mitigate the spread of COVID-19. Government-mandated shutdowns or shelter-in-place orders in markets in which we operate could negatively impact our results. Further, prolonged periods of lower overall business activity as a result of COVID-19 could cause significant damage to the underlying economy, which would likely impact timber markets.

We are also subject to the risk of price fluctuations in certain of our cost components, primarily logging and transportation (cut and haul), ocean freight and demurrage costs. Other major components of our cost of sales are the cost basis of timber sold (depletion) and the cost basis of real estate sold. Depletion includes the amortization of capitalized site preparation, planting and fertilization, real estate taxes, timberland lease payments and certain payroll costs. The cost basis of real estate sold includes the cost basis in land and costs directly associated with the development and construction of identified real estate projects, such as infrastructure, roadways, utilities, amenities and/or other improvements. Other costs include amortization of capitalized costs related to road and bridge construction and software, depreciation of fixed assets and equipment, road maintenance, severance and excise taxes, fire prevention and real estate commissions and closing costs.

For additional information on market conditions impacting our business, see Results of Operations.

CRITICAL ACCOUNTING POLICIES AND USE OF ESTIMATES

The preparation of financial statements requires us to make estimates, assumptions and judgments that affect our assets, liabilities, revenues and expenses, and disclosure of contingent assets and liabilities. We base these estimates and assumptions on historical data and trends, current fact patterns, expectations and other sources of information we believe are reasonable. Actual results may differ from these estimates. For a full description of our critical accounting policies, see Item 7 — *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our 2021 Form 10-K.

DISCUSSION OF TIMBER INVENTORY AND SUSTAINABLE YIELD

See Item 1 — *Business* — *Discussion of Timber Inventory and Sustainable Yield* in our 2021 Form 10-K.

OUR TIMBERLANDS

Our timber operations are disaggregated into three geographically distinct segments: Southern Timber, Pacific Northwest Timber and New Zealand Timber. The following tables provide a breakdown of our timberland holdings as of March 31, 2022 and December 31, 2021:

acres in 000s)	As of March 31, 2022			As of December 31, 2021		
	Owned	Leased	Total	Owned	Leased	Total
Southern						
Alabama	224	14	238	223	14	237
Arkansas	—	4	4	—	4	4
Florida	350	51	401	350	51	401
Georgia	618	64	682	619	64	683
Louisiana	140	—	140	140	—	140
Oklahoma	92	—	92	92	—	92
South Carolina	16	—	16	16	—	16
Texas	222	—	222	225	—	225
	1,662	133	1,795	1,665	133	1,798
Pacific Northwest						
Oregon	61	—	61	61	—	61
Washington	421	4	425	425	4	429
	482	4	486	486	4	490
New Zealand (a)	187	232	419	187	232	419
Total	2,331	369	2,700	2,338	369	2,707

(a) Represents legal acres owned and leased by the New Zealand subsidiary, in which we own a 77% interest. As of March 31, 2022, legal acres in New Zealand consisted of 297,000 plantable acres and 122,000 non-productive acres.

The following tables detail activity for owned and leased acres in our timberland holdings by state from December 31, 2021 to March 31, 2022:

(acres in 000s)			Acres Owned		
	December 31, 2021	Acquisitions	Sales	Other	March 31, 2022
Southern					
Alabama	223	1	—	—	224
Florida	350	1	(1)	—	350
Georgia	619	—	(1)	—	618
Louisiana	140	—	—	—	140
Oklahoma	92	—	—	—	92
South Carolina	16	—	—	—	16
Texas	225	—	(3)	—	222
	1,665	2	(5)	—	1,662
Pacific Northwest					
Oregon	61	—	—	—	61
Washington	425	—	(4)	—	421
	486	—	(4)	—	482
New Zealand (a)	187	—	—	—	187
Total	2,338	2	(9)	—	2,331

(a) Represents legal acres owned by the New Zealand subsidiary, in which we have a 77% interest.

(acres in 000s)			Acres Leased		
	December 31, 2021	New Leases	Sold/Expired Leases (a)	Other (b)	March 31, 2022
Southern					
Alabama	14	—	—	—	14
Arkansas	4	—	—	—	4
Florida	51	—	—	—	51
Georgia	64	—	—	—	64
	133	—	—	—	133
Pacific Northwest					
Washington (c)	4	—	—	—	4
New Zealand (d)	232	—	—	—	232
Total	369	—	—	—	369

(a) Includes acres previously under lease that have been harvested and activity for the relinquishment of leased acres.
(b) Includes acres previously under lease that we have acquired as fee ownership.
(c) Primarily timber reservations acquired in the merger with Pope Resources.
(d) Represents legal acres leased by the New Zealand subsidiary, in which we have a 77% interest.

RESULTS OF OPERATIONS

CONSOLIDATED RESULTS

The following table provides key financial information by segment and on a consolidated basis:

Financial Information (in millions)	Three Months Ended March 31, 2022	2021
Sales		
Southern Timber	$76.8	$51.7
Pacific Northwest Timber	46.3	41.5
New Zealand Timber	51.4	57.6
Timber Funds	—	14.9
Real Estate		
Improved Development	5.0	0.3
Rural	16.9	9.8
Timberland & Non-Strategic	11.4	—
Deferred Revenue/Other (a)	0.9	0.5
Total Real Estate	34.2	10.5
Trading	13.4	16.7
Intersegment Eliminations	(0.1)	(1.5)
Total Sales	$222.0	$191.4
Operating Income		
Southern Timber	$30.3	$17.3
Pacific Northwest Timber	6.6	1.3
New Zealand Timber	5.4	14.0
Timber Funds	—	1.5
Real Estate	10.2	1.7
Trading	0.4	0.2
Corporate and Other	(7.6)	(7.6)
Operating Income	45.3	28.5
Interest expense, interest income and other	(8.8)	(10.0)
Income tax expense	(5.5)	(3.5)
Net Income	31.0	15.0
Less: Net income attributable to noncontrolling interests in consolidated affiliates	(1.0)	(3.8)
Net Income Attributable to Rayonier, L.P.	$30.0	$11.2
Less: Net income attributable to noncontrolling interests in the operating partnership	(0.7)	(0.4)
Net Income Attributable to Rayonier Inc.	$29.3	$10.8
Adjusted EBITDA (b)		
Southern Timber	$48.4	$31.7
Pacific Northwest Timber	21.5	17.6
New Zealand Timber	10.4	21.2
Timber Funds	—	1.0
Real Estate	24.7	5.1
Trading	0.4	0.2
Corporate and Other	(7.2)	(7.3)
Total Adjusted EBITDA	$98.1	$69.5

(a) Includes deferred revenue adjustments, revenue true-ups and marketing fees related to Improved Development sales in addition to residential and commercial lease revenue.
(b) Adjusted EBITDA is a non-GAAP measure defined and reconciled in Performance and Liquidity Indicators.

Southern Timber Overview	Three Months Ended March 31, 2022	2021
Sales Volume (in thousands of tons)		
Pine Pulpwood	1,171	843
Pine Sawtimber	622	638
Total Pine Volume	1,793	1,481
Hardwood	103	31
Total Volume	1,896	1,512
% Delivered Volume (vs. Total Volume)	35 %	36 %
% Pine Sawtimber Volume (vs. Total Pine Volume)	35 %	43 %
% Export Volume (vs. Total Volume) (a)	1 %	5 %
Net Stumpage Pricing (dollars per ton)		
Pine Pulpwood	$24.11	$17.10
Pine Sawtimber	35.46	27.51
Weighted Average Pine	$28.05	$21.58
Hardwood	26.06	10.51
Weighted Average Total	$27.94	$21.35
Summary Financial Data (in millions of dollars)		
Timber Sales	$71.0	$44.2
Less: Cut and Haul	(15.6)	(9.9)
Less: Port and Freight	(2.4)	(2.0)
Net Stumpage Sales	$53.0	$32.3
Non-Timber Sales	5.8	7.5
Total Sales	$76.8	$51.7
Operating Income	$30.3	$17.3
(+) Depreciation, depletion and amortization	18.1	14.4
Adjusted EBITDA (b)	$48.4	$31.7
Other Data		
Period-End Acres (in thousands)	1,795	1,751

(a) Estimated percentage of export volume, which includes volumes sold to third-party exporters in addition to direct exports through our log export program.

(b) Adjusted EBITDA is a non-GAAP measure defined and reconciled in Performance and Liquidity Indicators.

Pacific Northwest Timber Overview	Three Months Ended March 31, 2022	2021
Sales Volume (in thousands of tons)		
Pulpwood	76	79
Sawtimber	429	457
Total Volume	505	536
% Delivered Volume (vs. Total Volume)	82 %	78 %
% Sawtimber Volume (vs. Total Volume)	85 %	85 %
% Export Volume (vs. Total Volume) (a)	5 %	10 %
Delivered Log Pricing (in dollars per ton)		
Pulpwood	$37.69	$29.36
Sawtimber	105.69	90.98
Weighted Average Log Price	$95.35	$81.64
Summary Financial Data (in millions of dollars)		
Timber Sales	$45.1	$40.3
Less: Cut and Haul	(16.2)	(16.0)
Less: Port and Freight	(0.1)	—
Net Stumpage Sales	$28.8	$24.3
Non-Timber Sales	1.1	1.3
Total Sales	$46.3	$41.5
Operating Income	$6.6	$1.3
(+) Depreciation, depletion and amortization	14.9	16.3
Adjusted EBITDA (b)	$21.5	$17.6
Other Data		
Period-End Acres (in thousands)	486	507
Sawtimber (in dollars per MBF) (c)	$849	$730

(a) Estimated percentage of export volume, which includes volumes sold to third-party exporters in addition to direct exports through our log export program.

(b) Adjusted EBITDA is a non-GAAP measure defined and reconciled in Performance and Liquidity Indicators.

(c) Delivered Sawtimber excluding chip-n-saw.

New Zealand Timber Overview	Three Months Ended March 31, 2022	2021
Sales Volume (in thousands of tons)		
Domestic Pulpwood (Delivered)	94	106
Domestic Sawtimber (Delivered)	135	159
Export Pulpwood (Delivered)	36	47
Export Sawtimber (Delivered)	250	287
Total Volume	515	599
% Delivered Volume (vs. Total Volume)	100 %	100 %
% Sawtimber Volume (vs. Total Volume)	75 %	74 %
% Export Volume (vs. Total Volume) (a)	56 %	56 %
Delivered Log Pricing (in dollars per ton)		
Domestic Pulpwood	$34.98	$40.15
Domestic Sawtimber	75.99	80.95
Export Sawtimber	127.59	121.65
Weighted Average Log Price	$96.59	$95.70
Summary Financial Data (in millions of dollars)		
Timber Sales	$49.7	$57.3
Less: Cut and Haul	(19.1)	(20.9)
Less: Port and Freight	(15.3)	(12.0)
Net Stumpage Sales	$15.3	$24.4
Non-Timber Sales / Carbon Credits	1.7	0.2
Total Sales	$51.4	$57.6
Operating Income	$5.4	$14.0
(+) Depreciation, depletion and amortization	5.0	7.2
Adjusted EBITDA (b)	$10.4	$21.2
Other Data		
New Zealand Dollar to U.S. Dollar Exchange Rate (c)	0.6680	0.7217
Net Plantable Period-End Acres (in thousands)	297	296
Export Sawtimber (in dollars per JAS m^3)	$148.35	$141.45
Domestic Sawtimber (in $NZD per tonne)	$125.13	$123.39

(a) Percentage of export volume includes direct exports through our log export program.

(b) Adjusted EBITDA is a non-GAAP measure defined and reconciled in Performance and Liquidity Indicators.

(c) Represents the period-average rate.

Real Estate Overview	Three Months Ended March 31, 2022	2021
Sales (in millions of dollars)		
Improved Development	$5.0	$0.3
Rural	16.9	9.8
Timberland & Non-Strategic	11.4	—
Deferred Revenue/Other (a)	0.9	0.5
Total Sales	$34.2	$10.5
Acres Sold		
Improved Development	16.1	0.6
Rural	4,751	2,394
Timberland & Non-Strategic	3,966	—
Total Acres Sold	8,734	2,395
Gross Price per Acre (dollars per acre)		
Improved Development	$308,065	$406,452
Rural	3,567	4,079
Timberland & Non-Strategic	2,874	—
Weighted Average (Total)	$3,815	$4,183
Weighted Average (Adjusted) (b)	$3,252	$4,079
Operating Income	$10.2	$1.7
(+) Depreciation, depletion and amortization	9.1	1.6
(+) Non-cash cost of land and improved development	5.4	1.8
Adjusted EBITDA (c)	$24.7	$5.1

(a) Includes deferred revenue adjustments, revenue true-ups and marketing fees related to Improved Development sales in addition to residential and commercial lease revenue.

(b) Excludes Improved Development.

(c) Adjusted EBITDA is a non-GAAP measure defined and reconciled in Performance and Liquidity Indicators.

Trading Overview	Three Months Ended March 31, 2022	2021
Sales Volume (in thousands of tons)		
U.S.	17	—
NZ	95	141
Total Volume	112	141
Summary Financial Data (in millions of dollars)		
Trading Sales	$13.1	$16.2
Non-Timber Sales	0.4	0.4
Total Sales	$13.4	$16.7
Operating Income	$0.4	$0.2
Adjusted EBITDA (a)	$0.4	$0.2

(a) Adjusted EBITDA is a non-GAAP measure defined and reconciled in Performance and Liquidity Indicators.

Capital Expenditures By Segment (in millions of dollars)	Three Months Ended March 31, 2022	2021
Timber Capital Expenditures		
Southern Timber		
Reforestation, silviculture and other capital expenditures	$2.5	$3.3
Property taxes	1.9	1.5
Lease payments	0.7	0.8
Allocated overhead	1.3	1.2
Subtotal Southern Timber	$6.3	$6.7
Pacific Northwest Timber		
Reforestation, silviculture and other capital expenditures	3.6	2.7
Property taxes	0.3	0.3
Allocated overhead	1.4	1.2
Subtotal Pacific Northwest Timber	$5.2	$4.1
New Zealand Timber		
Reforestation, silviculture and other capital expenditures	2.5	2.0
Property taxes	0.2	0.2
Lease payments	0.5	0.5
Allocated overhead	0.7	0.7
Subtotal New Zealand Timber	$3.9	$3.4
Total Timber Segments Capital Expenditures	$15.4	$14.2
Timber Funds (“Look-through”) (a)	—	0.2
Real Estate	0.2	0.1
Total Capital Expenditures	$15.6	$14.5
Timberland Acquisitions		
Southern Timber	$2.8	$29.9
Timberland Acquisitions	$2.8	$29.9
Real Estate Development Investments (b)	$3.1	$3.0

(a) The three months ended March 31, 2021 excludes $1.3 million of capital expenditures attributable to noncontrolling interests in Timber Funds.
(b) Represents investments in master infrastructure or entitlements in our real estate development projects. Real Estate Development Investments are amortized as the underlying properties are sold and included in Non-Cash Cost of Land and Improved Development.

The following tables summarize sales, operating income (loss) and Adjusted EBITDA variances for March 31, 2022 versus March 31, 2021 (millions of dollars):

Sales	Southern Timber	Pacific Northwest Timber	New Zealand Timber	Timber Funds	Real Estate	Trading	Intersegment Eliminations	Total
Three Months Ended March 31, 2021	$51.7	$41.5	$57.6	$14.9	$10.5	$16.7	($1.5)	$191.4
Volume	8.2	(1.4)	(7.9)	—	25.3	(3.4)	—	20.8
Price	12.5	5.8	(6.2)	—	(2.9)	0.2	—	9.4
Non-timber sales	(1.7)	(0.1)	1.5	—	—	(0.1)	—	(0.4)
Foreign exchange (a)	—	—	(1.3)	—	—	—	—	(1.3)
Other	6.1 (b)	0.5 (b)	7.7 (c)	(14.9) (d)	1.3 (e)	—	1.4 (f)	2.1
Three Months Ended March 31, 2022	$76.8	$46.3	$51.4	—	$34.2	$13.4	($0.1)	$222.0

(a) Net of currency hedging impact.
(b) Includes variance due to stumpage versus delivered sales.
(c) Includes variance due to domestic versus export sales.
(d) Timber Funds segment was liquidated in 2021.
(e) Includes marketing fees related to Improved Development sales and residential and commercial lease revenue.
(f) Includes a decrease in Intersegment eliminations related to timberland management fees paid to us by the timber funds and reported as sales within the Timber Funds segment.

Operating Income (Loss)	Southern Timber	Pacific Northwest Timber	New Zealand Timber	Timber Funds	Real Estate	Trading	Corporate and Other	Total
Three Months Ended March 31, 2021	$17.3	$1.3	$14.0	$1.5	$1.7	$0.2	($7.6)	$28.5
Volume	4.5	(0.3)	(2.6)	—	17.4	—	—	19.0
Price (a)	12.5	5.8	(6.2)	—	(2.9)	—	—	9.2
Cost	(2.1)	(0.5)	(0.6)	—	(2.8)	0.2	—	(5.8)
Non-timber income (b)	(1.8)	(0.1)	1.5	—	—	—	—	(0.4)
Foreign exchange (c)	—	—	(1.5)	—	—	—	—	(1.5)
Depreciation, depletion & amortization	(0.1)	0.4	0.8	—	(4.2)	—	—	(3.1)
Non-cash cost of land and improved development	—	—	—	—	1.0	—	—	1.0
Other (d)	—	—	—	(1.5)	—	—	—	(1.5)
Three Months Ended March 31, 2022	$30.3	$6.6	$5.4	—	$10.2	$0.4	($7.6)	$45.3

(a) For Timber segments, price reflects net stumpage realizations (i.e., net of cut and haul and shipping costs). For Real Estate, price is presented net of cash closing costs.
(b) For the New Zealand Timber segment, includes carbon credit sales.
(c) Net of currency hedging impact.
(d) Timber Funds segment was liquidated in 2021.

sted EBITDA (a)	Southern Timber	Pacific Northwest Timber	New Zealand Timber	Timber Funds	Real Estate	Trading	Corporate and Other	Total
ree Months Ended rch 31, 2021	$31.7	$17.6	$21.2	$1.0	$5.1	$0.2	($7.3)	$69.5
ume	8.1	(1.3)	(3.5)	—	25.3	—	—	28.6
:e (b)	12.5	5.8	(6.2)	—	(2.9)	—	—	9.2
st	(2.1)	(0.5)	(0.6)	—	(2.8)	0.2	0.1	(5.7)
n-timber income (c)	(1.8)	(0.1)	1.5	—	—	—	—	(0.4)
eign exchange (d)	—	—	(2.0)	—	—	—	—	(2.0)
ier (e)	—	—	—	(1.0)	—	—	—	(1.1)
ree Months Ended rch 31, 2022	$48.4	$21.5	$10.4	—	$24.7	$0.4	($7.2)	$98.1

(a) Adjusted EBITDA is a non-GAAP measure defined and reconciled in Performance and Liquidity Indicators below.
(b) For Timber segments, price reflects net stumpage realizations (i.e., net of cut and haul and shipping costs). For Real Estate, price is presented net of cash closing costs.
(c) For the New Zealand Timber segment, includes carbon credit sales.
(d) Net of currency hedging impact.
(e) Timber Funds segment was liquidated in 2021.

SOUTHERN TIMBER

First quarter sales of $76.8 million increased $25.1 million, or 49%, versus the prior year period. Harvest volumes increased 25% to 1.90 million tons versus 1.51 million tons in the prior year period, as drier ground conditions enabled stumpage customers to ramp up production to meet strong demand. Average pine sawtimber stumpage prices increased 29% to $35.46 per ton versus $27.51 per ton in the prior year period, driven by strong domestic lumber demand coupled with elevated chip-n-saw pricing due to increased competition from pulp mills. Average pine pulpwood stumpage prices increased 41% to $24.11 per ton versus $17.10 per ton in the prior year period, reflecting strong competition across our wood baskets as customers looked to secure supply and replenish low mill inventories. Overall, weighted-average stumpage prices (including hardwood) increased 31% to $27.94 per ton versus $21.35 per ton in the prior year period. Operating income of $30.3 million increased $13.0 million versus the prior year period due to higher net stumpage realizations ($12.5 million) and higher volumes ($4.5 million), partially offset by higher costs ($2.1 million), lower non-timber income ($1.8 million) and higher depletion rates ($0.1 million). First quarter Adjusted EBITDA of $48.4 million was 53%, or $16.7 million, above the prior year period.

PACIFIC NORTHWEST TIMBER

First quarter sales of $46.3 million increased $4.8 million, or 11%, versus the prior year period, notwithstanding a decline in harvest volumes of 6% to 505,000 tons versus 536,000 tons in the prior year period. Average delivered sawtimber prices increased 16% to $105.69 per ton versus $90.98 per ton in the prior year period, driven by strong domestic lumber demand. Average delivered pulpwood prices increased 28% to $37.69 per ton versus $29.36 per ton in the prior year period, primarily driven by improved demand due to the restart of idled pulp mill capacity in the region. Operating income of $6.6 million improved $5.3 million versus the prior year period due to higher net stumpage realizations ($5.8 million) and lower depletion rates ($0.4 million), partially offset by higher costs ($0.5 million), lower volumes ($0.3 million) and lower non-timber income ($0.1 million). First quarter Adjusted EBITDA of $21.5 million was 22%, or $3.9 million, above the prior year period.

NEW ZEALAND TIMBER

First quarter sales of $51.4 million decreased $6.2 million, or 11%, versus the prior year period. Harvest volumes decreased 14% to 515,000 tons versus 599,000 tons in the prior year period, as production at the beginning of the year was deferred in response to port congestion and elevated log inventories in China. Average delivered prices for export sawtimber increased 5% to $127.59 per ton versus $121.65 per ton in the prior year period. The increase in export sawtimber prices versus the prior year period reflected the ability of log exporters to partially pass on higher costs to customers, as well as the newly implemented restriction on competing log imports into China from Russia. However, favorable export pricing was more than offset by higher shipping and demurrage costs due to ongoing supply chain and port congestion issues. Average delivered prices for domestic sawtimber decreased 6% to $75.99 per ton versus $80.95 per ton in the prior year period. The decrease in domestic sawtimber prices (in U.S. dollar terms) was driven by the decline in the NZ$/US$ exchange rate (US$0.67 per NZ$1.00 versus US$0.72 per NZ$1.00). Excluding the impact of foreign exchange rates, domestic sawtimber prices improved 1% versus the prior year period. Operating income of $5.4 million decreased $8.6 million versus the prior year period due to lower net stumpage realizations ($6.2 million), lower volumes ($2.6 million), higher costs ($0.6 million) and unfavorable foreign exchange impacts ($1.5 million), partially offset by higher carbon credit sales ($1.5 million) and lower depletion rates ($0.8 million). First quarter Adjusted EBITDA of $10.4 million was 51%, or $10.8 million, below the prior year period.

TIMBER FUNDS

During 2021, we sold the rights to manage Fund III and Fund IV, as well as our ownership interests in both funds, and we completed the liquidation of Fund II timberland assets. As such, we had no sales, operating income or Adjusted EBITDA in the current quarter in the Timber Funds segment, as will be the case going forward.

In the prior year period the Timber Funds segment generated first quarter sales of $14.9 million on harvest volumes of 145,000 tons, resulting in operating income of $1.5 million. Adjusting for the portion of the Timber Funds segment attributable to noncontrolling interests, pro forma sales and pro forma operating income were $3.0 million and $0.4 million, respectively. First quarter Adjusted EBITDA was $1.0 million in the prior year period.

REAL ESTATE

First quarter sales of $34.2 million increased $23.7 million versus the prior year period, while operating income of $10.2 million increased $8.5 million versus the prior year period. Higher segment results in the current year period were driven by a significant increase in the number of acres sold (8,734 acres sold versus 2,395 acres sold in the prior year period), partially offset by a decrease in weighted-average prices ($3,815 per acre versus $4,183 per acre in the prior year period).

Improved Development sales of $5.0 million included $3.6 million from the Wildlight development project north of Jacksonville, Florida and $1.4 million from the Richmond Hill development project (which has now been branded as Heartwood) south of Savannah, Georgia. Sales in Wildlight consisted of 52 residential lots, reflecting an average price of $70,000 per lot or $339,000 per acre. Sales in Richmond Hill (Heartwood) included ten residential lots for $0.4 million (an average price of $44,000 per lot or $251,000 per acre) and a 4-acre commercial property for $0.9 million ($246,000 per acre). This compares to prior year period Improved Development sales of $0.3 million.

There were no Unimproved Development sales in the first quarter or the prior year period.

Rural sales of $16.9 million consisted of 4,751 acres at an average price of $3,567 per acre. This compares to prior year period sales of $9.8 million, which consisted of 2,394 acres at an average price of $4,079 per acre.

Timberland & Non-Strategic sales of $11.4 million consisted of 3,966 acres at an average price of $2,874 per acre. There were no Timberland & Non-Strategic sales in the prior year period.

First quarter Adjusted EBITDA of $24.7 million was $19.6 million above the prior year period.

TRADING

First quarter sales of $13.4 million decreased $3.2 million versus the prior year period primarily due to lower volumes, partially offset by higher prices. Sales volumes decreased 21% to 112,000 tons versus 141,000 tons in the prior year period, reflecting elevated log inventories in China and constrained export market demand. The Trading segment generated operating income of $0.4 million versus $0.2 million in the prior year period.

OTHER ITEMS

CORPORATE AND OTHER EXPENSE / ELIMINATIONS

First quarter corporate and other operating expenses of $7.6 million were flat versus the prior year period.

INTEREST EXPENSE

First quarter interest expense of $8.3 million decreased $1.7 million versus the prior year period due to lower average outstanding debt and lower borrowing costs.

INCOME TAX EXPENSE

First quarter income tax expense of $5.5 million increased $2.1 million versus the prior year period. The New Zealand subsidiary is generally the primary driver of income tax expense, although the increase in the first quarter was attributable to the retirement of an installment note in the taxable REIT subsidiary.

OUTLOOK

In our Southern Timber segment, we anticipate lower quarterly harvest volumes for the remainder of the year as compared to the first quarter, as we experienced above-average stumpage removals to start the year. Also, while we expect net stumpage realizations to remain above prior year levels, we anticipate modestly lower weighted-average prices for the remainder of the year as compared to the first quarter due to higher mill inventories, a higher proportion of thinning volume, and a less favorable geographic mix.

In our Pacific Northwest Timber segment, we expect lower quarterly harvest volumes for the balance of the year following strong removals in the first quarter. We further expect that weighted-average log prices will remain near first quarter levels for the balance of the year, driven by continued strong sawtimber demand and improving pulpwood markets.

In our New Zealand Timber segment, we expect increased quarterly harvest volumes for the balance of the year. While a significant level of uncertainty remains around the ongoing COVID-19 related disruptions in China, we expect that once demand stabilizes, constrained log supplies will drive export sawtimber prices higher. We further expect that domestic sawtimber and pulpwood pricing will remain relatively flat for the remainder of the year.

In our Real Estate segment, we anticipate lower quarterly results for the remainder of the year following a strong first quarter.

LIQUIDITY AND CAPITAL RESOURCES

Our principal source of cash is cash flow from operations, primarily the harvesting of timber and sales of real estate. As an UPREIT, our main use of cash is dividends and unitholder distributions. We also use cash to maintain the productivity of our timberlands through replanting and silviculture. Our operations have generally produced consistent cash flow and required limited capital resources. Short-term borrowings have helped fund working capital needs while acquisitions of timberlands generally require funding from external sources or Large Dispositions.

SUMMARY OF LIQUIDITY AND FINANCING COMMITMENTS

(millions of dollars)	March 31, 2022	December 31, 2021
Cash and cash equivalents (excluding Timber Funds)	$256.5	$358.7
Total debt (a)	1,254.1	1,376.1
Noncontrolling interests in the operating partnership	136.2	133.8
Shareholders’ equity	1,881.6	1,815.6
Total capitalization (total debt plus permanent and temporary equity)	3,271.9	3,325.5
Debt to capital ratio	38 %	41 %
Net debt to enterprise value (b)(c)	14 %	14 %

(a) Total debt as of March 31, 2022 and December 31, 2021 reflects principal on long-term debt, gross of deferred financing costs and unamortized discounts.

(b) Net debt is calculated as total debt less cash and cash equivalents.

(c) Enterprise value based on market capitalization (including Rayonier, L.P. “OP” units) plus net debt based on Rayonier’s share price of $41.12 and $40.36 as of March 31, 2022 and December 31, 2021, respectively.

AT-THE-MARKET (“ATM”) EQUITY OFFERING PROGRAM

On September 10, 2020, we entered into a distribution agreement with a group of sales agents through which we may sell common shares, from time to time, having an aggregate sales price of up to $300 million. As of March 31, 2022, $1.0 million remains available for issuance under the program.

The following table outlines common share issuances pursuant to our ATM program (dollars in millions):

	Three Months Ended March 31,	
	2022	2021
Shares of common stock issued under the ATM program	726,248	1,107,814
Average price per share sold under the ATM program	$41.46	$33.31
Gross proceeds from common shares issued under the ATM program	$30.1	$36.9

CASH FLOWS

The following table summarizes our cash flows from operating, investing and financing activities for the three months ended March 31, 2022 and 2021:

(millions of dollars)	2022	2021
Cash provided by (used for):		
Operating activities	$49.7	$53.9
Investing activities	(18.9)	(44.4)
Financing activities	(134.7)	(13.8)

CASH PROVIDED BY OPERATING ACTIVITIES

Cash provided by operating activities decreased $4.2 million from the prior year period primarily due to changes in working capital, partially offset by higher operating results.

CASH USED FOR INVESTING ACTIVITIES

Cash used for investing activities decreased $25.5 million from the prior year period primarily due to lower timberland acquisitions ($27.1 million) and lower capital expenditures ($0.2 million), partially offset by other investing activities ($1.7 million) and higher real estate development investments ($0.1 million).

CASH USED FOR FINANCING ACTIVITIES

Cash used for financing activities increased $120.9 million from the prior year period primarily due to lower net borrowings ($122.9 million), lower net proceeds from the issuance of common shares under the ATM equity offering program ($1.6 million), higher dividends paid on common shares ($2.0 million), lower proceeds from the issuance of common shares under the Company’s incentive stock plan ($0.6 million) and higher share repurchases ($0.1 million), partially offset by lower distributions to consolidated affiliates ($6.0 million), and lower distributions to noncontrolling interests in the operating partnership ($0.3 million).

FUTURE USES OF CASH

We expect future uses of cash to include working capital requirements, principal and interest payments on long-term debt, lease payments, capital expenditures, real estate development investments, timberland acquisitions, dividends on Rayonier Inc. common shares and distributions on Rayonier, L.P. units, distributions to noncontrolling interests, repurchases of the Company's common shares and to satisfy other commitments.

Significant long-term uses of cash include the following (in millions):

		Payments Due by Period			
Future uses of cash (in millions)	Total	2022	2023-2024	2025-2026	Thereafter
Long-term debt (a)	$1,252.0	—	—	$252.0	$1,000.0
Current maturities of long-term debt (b)	2.1	2.1	—	—	—
Interest payments on long-term debt (b)	207.1	24.5	57.1	52.9	72.6
Operating leases — timberland (c)	188.6	7.3	15.0	14.4	151.9
Operating leases — PP&E, offices (c)	9.0	1.4	2.3	1.3	4.0
Commitments — development projects (d)	25.8	17.8	3.5	0.6	3.9
Commitments — derivatives (e)	37.6	8.5	18.9	6.9	3.3
Commitments — environmental remediation (f)	11.3	0.7	7.7	1.5	1.4
Commitments — other (g)	1.2	0.6	0.5	0.1	—
Total	$1,734.7	$62.9	$105.0	$329.7	$1,237.1

(a) The book value of long-term debt, net of deferred financing costs and unamortized discounts, is currently recorded at $1,243.7 million on our Consolidated Balance Sheets, but upon maturity the liability will be $1,252.0 million. See Note 6 - Debt for additional information.

(b) Projected interest payments for variable-rate debt were calculated based on outstanding principal amounts and interest rates as of March 31, 2022.

(c) Excludes anticipated renewal options.

(d) Commitments — developmental projects primarily consists of payments expected to be made on our Wildlight and Heartwood projects.

(e) Commitments — derivatives represent payments expected to be made on derivative financial instruments (interest rate swaps and forward-starting interest rate swaps). See Note 7 — Derivative Financial Instruments and Hedging Activities for additional information.

(f) Commitments — environmental remediation represents our estimate of potential liability associated with environmental contamination and Natural Resource Damages in Port Gamble, Washington. See Note 11 - Environmental and Natural Resource Damage Liabilities for additional information.

(g) Commitments — other includes other purchase obligations.

We expect to fund future uses of cash with a combination of existing cash balances, cash generated by operating activities, the remaining issuances available under the Company's ATM Program, Large Dispositions and the use of our revolving credit facilities.

EXPECTED 2022 EXPENDITURES

Capital expenditures in 2022 are expected to be between $81 million and $84 million, excluding any strategic timberland acquisitions we may make. Capital expenditures are expected to primarily consist of seedling planting, fertilization and other silvicultural activities, property taxes, lease payments, allocated overhead and other capitalized costs. Aside from capital expenditures, we may also acquire timberland as we actively evaluate acquisition opportunities.

We anticipate real estate development investments in 2022 to be between $23 million and $25 million, net of reimbursements from community development bonds. Expected real estate development investments are primarily related to Wildlight, our mixed-use community development project located north of Jacksonville, Florida; Heartwood, our mixed-use development project located in Richmond Hill just south of Savannah, Georgia; development properties in the town of Port Gamble, Washington; and development projects in Gig Harbor, Kingston and Bremerton, Washington.

Our 2022 dividend payments on Rayonier Inc. common shares and distributions to Rayonier, L.P. unitholders are expected to be approximately $158 million and $3.6 million, respectively, assuming no change in the quarterly dividend rate of $0.27 per share or partnership unit, or material changes in the number of shares or partnership units outstanding.

Future share repurchases, if any, will depend on the Company's liquidity and cash flow, as well as general market conditions and other considerations including capital allocation priorities.

We have no mandatory pension contribution requirements in the current year.

First quarter cash tax payments were elevated due to the required timing of tax payments for our New Zealand subsidiary following the full utilization of its NOLs. Full-year 2022 cash tax payments are expected to be approximately $17.0 million, primarily related to the New Zealand subsidiary.

OFF-BALANCE SHEET ARRANGEMENTS

We utilize off-balance sheet arrangements to provide credit support for certain suppliers and vendors in case of their default on critical obligations, and collateral for outstanding claims under our previous workers' compensation self-insurance programs. These arrangements consist of standby letters of credit and surety bonds. As part of our ongoing operations, we also periodically issue guarantees to third parties. Off-balance sheet arrangements are not considered a source of liquidity or capital resources and do not expose us to material risks or material unfavorable financial impacts. See Note 12 — Guarantees for details on the letters of credit and surety bonds as of March 31, 2022.

SUMMARY OF GUARANTOR FINANCIAL INFORMATION

In May 2021, Rayonier, L.P. issued $450 million of 2.75% Senior Notes due 2031 (the "Senior Notes due 2031"). Rayonier TRS Holdings Inc., and Rayonier Inc. agreed to irrevocably, fully and unconditionally guarantee jointly and severally, the obligations of Rayonier, L.P. in regards to the Senior Notes due 2031. As a general partner of Rayonier, L.P., Rayonier Inc. consolidates Rayonier, L.P. and has no material assets or liabilities other than its interest in Rayonier, L.P. These notes are unsecured and unsubordinated and will rank equally with all other unsecured and unsubordinated indebtedness from time to time outstanding.

Rayonier, L.P. is a limited partnership, in which Rayonier Inc. is the general partner. The operating subsidiaries of Rayonier, L.P. conduct all of our operations. Rayonier, L.P.'s most significant assets are its interest in operating subsidiaries, which have been eliminated in the table below to eliminate intercompany transactions between the issuer and guarantors and to exclude investments in non-guarantors. As a result, our ability to make required payments on the notes depends on the performance of our operating subsidiaries and their ability to distribute funds to us. There are no material restrictions on dividends from the operating subsidiaries.

The summarized balance sheet information for the consolidated obligor group of debt issued by Rayonier, L.P. for the three months ended March 31, 2022 and year ended December 31, 2021 are provided in the table below:

(in millions)	March 31, 2022	December 31, 2021
Current assets	$257.6	$335.8
Non-current assets	75.6	54.6
Current liabilities	20.1	146.0
Non-current liabilities	1,800.6	1,821.7
Due to non-guarantors	565.6	570.4

The summarized results of operations information for the consolidated obligor group of debt issued by Rayonier, L.P. for the three months ended March 31, 2022 and year ended December 31, 2021 are provided in the table below:

(in millions)	March 31, 2022	December 31, 2021
Cost and expenses	($6.5)	($27.5)
Operating loss	(6.5)	(27.3)
Net loss	(16.2)	(69.7)
Revenue from non-guarantors	222.0	1,109.4

PERFORMANCE AND LIQUIDITY INDICATORS

The discussion below is presented to enhance the reader's understanding of our operating performance, liquidity, and ability to generate cash and satisfy rating agency and creditor requirements. This information includes two measures of financial results: Adjusted Earnings before Interest, Taxes, Depreciation, Depletion and Amortization ("Adjusted EBITDA") and Cash Available for Distribution ("CAD"). These measures are not defined by Generally Accepted Accounting Principles ("GAAP"), and the discussion of Adjusted EBITDA and CAD is not intended to conflict with or change any of the GAAP disclosures described above.

Management uses CAD as a liquidity measure. CAD is a non-GAAP measure of cash generated during a period that is available for common share dividends, distributions to operating partnership unitholders, distributions to noncontrolling interests, repurchase of the Company's common shares, debt reduction, timberland acquisitions and real estate development investments. CAD is defined as cash provided by operating activities adjusted for capital spending (excluding timberland acquisitions and real estate development investments), CAD attributable to noncontrolling interests in Timber Funds, working capital and other balance sheet changes. CAD is not necessarily indicative of the CAD that may be generated in future periods.

Management uses Adjusted EBITDA as a performance measure. Adjusted EBITDA is a non-GAAP measure that management uses to make strategic decisions about the business and that investors can use to evaluate the operational performance of the assets under management. It excludes specific items that management believes are not indicative of the Company's ongoing operating results. We define Adjusted EBITDA as earnings before interest, taxes, depreciation, depletion, amortization, the non-cash cost of land and improved development, non-operating income and expense and operating income attributable to noncontrolling interests in Timber Funds.

We reconcile Adjusted EBITDA to Net Income for the consolidated Company and to Operating Income for the segments, as those are the most comparable GAAP measures for each. The following table provides a reconciliation of Net Income to Adjusted EBITDA for the respective periods (in millions of dollars):

	Three Months Ended March 31,	
	2022	2021
Net Income to Adjusted EBITDA Reconciliation		
Net Income	$31.0	$15.0
Operating income attributable to NCI in Timber Funds	—	(1.1)
Interest, net attributable to NCI in Timber Funds	—	0.1
Net Income (Excluding NCI in Timber Funds)	31.0	14.0
Interest, net and miscellaneous income attributable to Rayonier	8.2	9.9
Income tax expense attributable to Rayonier	5.5	3.5
Depreciation, depletion and amortization attributable to Rayonier	47.4	40.3
Non-cash cost of land and improved development	5.4	1.8
Non-operating expense	0.6	—
Adjusted EBITDA	$98.1	$69.5

The following tables provide a reconciliation of Operating Income by segment to Adjusted EBITDA by segment for the respective periods (in millions of dollars):

Three Months Ended	Southern Timber	Pacific Northwest Timber	New Zealand Timber	Timber Funds	Real Estate	Trading	Corporate and Other	Total
March 31, 2022								
Operating income	$30.3	$6.6	$5.4	—	$10.2	$0.4	($7.6)	$45.3
Depreciation, depletion and amortization	18.1	14.9	5.0	—	9.1	—	0.3	47.4
Non-cash cost of land and improved development	—	—	—	—	5.4	—	—	5.4
Adjusted EBITDA	$48.4	$21.5	$10.4	—	$24.7	$0.4	($7.2)	$98.1
March 31, 2021								
Operating income	$17.3	$1.3	$14.0	$1.5	$1.7	$0.2	($7.6)	$28.5
Operating income attributable to NCI in Timber Funds	—	—	—	(1.1)	—	—	—	(1.1)
Depreciation, depletion and amortization	14.4	16.3	7.2	0.6	1.6	—	0.3	40.3
Non-cash cost of land and improved development	—	—	—	—	1.8	—	—	1.8
Adjusted EBITDA	$31.7	$17.6	$21.2	$1.0	$5.1	$0.2	($7.3)	$69.5

The following table provides a reconciliation of Cash Provided by Operating Activities to Adjusted CAD (in millions of dollars):

	Three Months Ended March 31,	
	2022	2021
Cash provided by operating activities	$49.7	$53.9
Capital expenditures (a)	(15.6)	(15.8)
CAD attributable to NCI in Timber Funds	—	(4.6)
Working capital and other balance sheet changes	30.4	13.8
CAD	$64.5	$47.3
Mandatory debt repayments	(2.1)	—
CAD after mandatory debt repayments	$62.4	$47.3
Cash used for investing activities	($18.9)	($44.4)
Cash used for financing activities	($134.7)	($13.8)

(a) Capital expenditures exclude timberland acquisitions of $2.8 million and $29.9 million during the three months ended March 31, 2022 and March 31, 2021, respectively.

The following table provides supplemental cash flow data (in millions):

	Three Months Ended March 31,	
	2022	2021
Purchase of timberlands	($2.8)	($29.9)
Real Estate Development Investments	(3.1)	(3.0)
Distributions to noncontrolling interests in consolidated affiliates	(2.7)	(8.7)

LIQUIDITY FACILITIES

2022 DEBT ACTIVITY

See Note 6 — Debt for additional information.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to various market risks, including changes in interest rates, commodity prices and foreign exchange rates. Our objective is to minimize the economic impact of these market risks. We use derivatives in accordance with policies and procedures approved by the Audit Committee of the Board of Directors. Derivatives are managed by a senior executive committee whose responsibilities include initiating, managing and monitoring resulting exposures. We do not enter into financial instruments for trading or speculative purposes.

Interest Rate Risk

We are exposed to interest rate risk through our variable rate debt, primarily due to changes in LIBOR. However, we use interest rate swaps to manage our exposure to interest rate movements on our term credit agreements by swapping existing and anticipated future borrowings from floating rates to fixed rates. As of March 31, 2022, we had $750 million of U.S. variable rate debt outstanding on our term credit agreements.

The notional amount of outstanding interest rate swap contracts with respect to our term credit agreements at March 31, 2022 was $750 million. The Term Credit Agreement matures in April 2028, with the associated interest rate swaps maturing in August 2024. We have entered into forward starting interest rate swaps to cover $150 million of the Term Credit Agreement through the extended maturity date. The Incremental Term Loan Agreement and associated interest rate swaps mature in May 2026, and the 2021 Incremental Term Loan Facility and associated interest rate swaps mature in June 2029. At this borrowing level, a hypothetical one-percentage point increase/decrease in interest rates would result in no corresponding increase/decrease in interest payments and expense over a 12-month period.

The fair market value of our fixed interest rate debt is also subject to interest rate risk. The estimated fair value of our fixed rate debt at March 31, 2022 was $459.6 million compared to the $502.0 million principal amount. We use interest rates of debt with similar terms and maturities to estimate the fair value of our debt. Generally, the fair market value of fixed-rate debt will increase as interest rates fall and decrease as interest rates rise. A hypothetical one-percentage point increase/decrease in prevailing interest rates at March 31, 2022 would result in a corresponding decrease/increase in the fair value of our fixed rate debt of approximately $33 million and $36 million, respectively.

We estimate the periodic effective interest rate on our U.S. long-term fixed and variable rate debt to be approximately 2.6% after consideration of interest rate swaps and estimated patronage refunds, excluding unused commitment fees on the revolving credit facility.

The following table summarizes our outstanding debt, interest rate swaps and average interest rates, by year of expected maturity and their fair values at March 31, 2022:

(Dollars in thousands)	2022	2023	2024	2025	2026	Thereafter	Total	Fair Value
Variable rate debt:								
Principal amounts	$2,087	—	—	—	$200,000	$550,000	$752,087	$752,087
Average interest rate (a)(b)	2.06 %	—	—	—	1.88 %	1.85 %	1.86 %	
Fixed rate debt:								
Principal amounts	—	—	—	$24,005	$28,006	$450,000	$502,011	$459,595
Average interest rate (b)	—	—	—	2.95 %	3.64 %	2.75 %	2.81 %	
Interest rate swaps:								
Notional amount	—	—	$350,000	—	$200,000	$200,000	$750,000	$26,912
Average pay rate (b)	—	—	2.28 %	—	1.60 %	0.77 %	1.69 %	
Average receive rate (b)	—	—	0.29 %	—	0.23 %	0.23 %	0.26 %	
Forward-starting interest rate swaps								
Notional amount	—	—	—	—	—	$150,000	$150,000	$6,699
Average pay rate (b)	—	—	—	—	—	0.83 %	0.83 %	
Average receive rate (b)	—	—	—	—	—	0.45 %	0.45 %	

(a) Excludes estimated patronage refunds.
(b) Interest rates as of March 31, 2022.

Foreign Currency Exchange Rate Risk

The New Zealand subsidiary's export sales are predominately denominated in U.S. dollars, and therefore its cash flows are affected by fluctuations in the exchange rate between the New Zealand dollar and the U.S. dollar. This exposure is partially managed by a natural currency hedge, as ocean freight payments and shareholder distributions are also paid in U.S. dollars. We manage any excess foreign exchange exposure through the use of derivative financial instruments.

Sales and Expense Exposure

At March 31, 2022, the New Zealand subsidiary had foreign currency exchange contracts with a notional amount of $149.5 million and foreign currency option contracts with a notional amount of $14.0 million outstanding related to foreign export sales and ocean freight payments. The amount hedged represents a portion of forecasted U.S. dollar denominated export timber and log trading sales proceeds over the next 24 months and next 2 months, respectively.

The following table summarizes our outstanding foreign currency exchange rate risk contracts at March 31, 2022:

(Dollars in thousands)	0-1 months	1-2 months	2-3 months	3-6 months	6-12 months	12-18 months	18-24 months	Total	Fair Value
Foreign exchange contracts to sell U.S. dollar for New Zealand dollar									
Notional amount	$9,000	$9,500	$8,000	$26,000	$46,500	$38,500	$12,000	$149,500	$1,566
Average contract rate	1.4505	1.4397	1.4432	1.4378	1.4567	1.4848	1.5059	1.4624	
Foreign currency option contracts to sell U.S. dollar for New Zealand dollar									
Notional amount	—	—	—	—	—	$8,000	$6,000	$14,000	$94
Average strike price	—	—	—	—	—	1.4808	1.5053	1.4913	

Item 4. CONTROLS AND PROCEDURES

DISCLOSURE CONTROLS AND PROCEDURES

Rayonier Inc.

Rayonier’s management is responsible for establishing and maintaining adequate disclosure controls and procedures. Disclosure controls and procedures (as defined in Rule 13a-15(e)) under the Securities Exchange Act of 1934 (the “Exchange Act”), are designed with the objective of ensuring information required to be disclosed by the Company in reports filed under the Exchange Act, such as this quarterly report on Form 10-Q, is (1) recorded, processed, summarized and reported or submitted within the time periods specified in the SEC’s rules and forms and (2) accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Because of the inherent limitations in all control systems, no control evaluation can provide absolute assurance that all control exceptions and instances of fraud have been prevented or detected on a timely basis. Even systems determined to be effective can provide only reasonable assurance that their objectives are achieved.

Based on an evaluation of the Company’s disclosure controls and procedures as of the end of the period covered by this quarterly report on Form 10-Q, our management, including the Chief Executive Officer and Chief Financial Officer, concluded the design and operation of the disclosure controls and procedures were effective as of March 31, 2022.

In the quarter ended March 31, 2022, based upon the evaluation required by Rule 13a-15(d) under the Exchange Act, there were no changes in our internal control over financial reporting that would materially affect or are reasonably likely to materially affect our internal control over financial reporting.

Rayonier, L.P.

The Operating Partnership is responsible for establishing and maintaining adequate disclosure controls and procedures. Disclosure controls and procedures (as defined in Rule 13a-15(e)) under the Securities Exchange Act of 1934 (the “Exchange Act”), are designed with the objective of ensuring information required to be disclosed by Rayonier, L.P. in reports filed under the Exchange Act, such as this quarterly report on Form 10-Q, is (1) recorded, processed, summarized and reported or submitted within the time periods specified in the SEC’s rules and forms and (2) accumulated and communicated to our management, including Rayonier’s Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Because of the inherent limitations in all control systems, no control evaluation can provide absolute assurance that all control exceptions and instances of fraud have been prevented or detected on a timely basis. Even systems determined to be effective can provide only reasonable assurance that their objectives are achieved.

Based on an evaluation of the Operating Partnership’s disclosure controls and procedures as of the end of the period covered by this quarterly report on Form 10-Q, management, including Rayonier’s Chief Executive Officer and Chief Financial Officer, concluded the design and operation of the disclosure controls and procedures were effective as of March 31, 2022.

In the quarter ended March 31, 2022, based upon the evaluation required by Rule 13a-15(d) under the Exchange Act, there were no changes in internal controls over financial reporting that would materially affect or are reasonably likely to materially affect internal controls over financial reporting.

PART II. OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

The information set forth in Note 10 — Contingencies and in Note 11 – Environmental and Natural Resource Damage Liabilities in the “Notes to Consolidated Financial Statements” under Item 1 of Part I of this report is incorporated herein by reference.

Item 1A. RISK FACTORS

Our operations are subject to a number of risks. When considering an investment in our securities, you should carefully read and consider these risks, together with all other information in this Quarterly Report on Form 10-Q. If any of the events described in the following risk factors actually occur, our business, financial condition or operating results, as well as the market price of our securities, could be materially adversely affected. The information presented below updates the risk factors set forth in Part I, “Item 1A. Risk Factors,” of our 2021 Form 10-K.

Our business, financial condition and results of operations could be adversely affected by disruptions in the global economy caused by the ongoing conflict between Russia and Ukraine.

The global economy has been negatively impacted by the military conflict between Russia and Ukraine. The Russia-Ukraine conflict is fast-moving and uncertain. Global log and lumber markets have exhibited increased volatility as sanctions have been imposed on Russia by the United States, the United Kingdom and the European Union in response to Russia’s invasion of Ukraine. While we do not expect our operations to be directly impacted by the conflict at this time, changes in global wood and commodity flows could impact the markets in which we operate, which may in turn negatively impact our business, results of operations, supply chain and financial condition. In addition, the effects of the ongoing conflict could heighten certain of our known risks described in the section entitled “Risk Factors” in Part I, Item 1A, in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021, filed with the SEC on February 25, 2022.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Rayonier Inc.

REGISTERED SALES OF EQUITY SECURITIES

From time to time, the Company may issue its common shares in exchange for units in the Operating Partnership. Such shares are issued based on an exchange ratio of one common share for each unit in the Operating Partnership. During the quarter ended March 31, 2022, the Company issued 2,535 common shares in exchange for an equal number of units in the Operating Partnership pursuant to the agreement of the Operating Partnership.

ISSUER PURCHASES OF EQUITY SECURITIES

In February 2016, the Board of Directors approved the repurchase of up to $100 million of Rayonier's common shares (the "share repurchase program") to be made at management's discretion. The program has no time limit and may be suspended or discontinued at any time. There were no shares repurchased under this program in the first quarter of 2022. As of March 31, 2022, there was $87.7 million, or approximately 2,133,474 shares based on the period-end closing stock price of $41.12, remaining under this program.

The following table provides information regarding our purchases of Rayonier common shares during the quarter ended March 31, 2022:

Period	Total Number of Shares Purchased (a)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (b)	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs (c)
January 1 to January 31	5,392	$39.44	—	2,400,888
February 1 to February 28	—	—	—	2,209,785
March 1 to March 31	28	33.59	—	2,133,474
Total	5,420		—	

(a) Includes 5,420 shares of the Company's common shares purchased in January, February and March from current and former employees in non-open market transactions. The shares were sold by current and former employees of the Company in exchange for cash that was used to pay withholding taxes associated with the vesting of share-based awards under the Company's Incentive Stock Plan. The price per share surrendered is based on the closing price of the Company's common shares on the respective vesting dates of the awards.

(b) Purchases made in open-market transactions under the $100 million share repurchase program announced on February 10, 2016.

(c) Maximum number of shares authorized to be purchased under the share repurchase program at the end of January, February and March are based on month-end closing stock prices of $36.54, $39.70 and $41.12, respectively.

Rayonier, L.P.

UNREGISTERED SALES OF EQUITY SECURITIES

There were no unregistered sales of equity securities made by the Operating Partnership during the quarter ended March 31, 2022.

ISSUER PURCHASES OF EQUITY SECURITIES

Pursuant to the Operating Partnership's limited partnership agreement, limited partners have the right to redeem their units in the Operating Partnership for cash, or at our election, shares of Rayonier Common Stock on a one-for-one basis. During the quarter ended March 31, 2022, 2,535 units in the Operating Partnership held by limited partners were redeemed in exchange for shares of Rayonier Common Stock.

Item 6. EXHIBITS

10.1	Rayonier Investment and Savings Plan for Salaried Employees effective March 1, 1994, amended and restated effective March 1, 2022*	Filed herewith
22.1	List of Guarantor Subsidiaries	Filed herewith
31.1	Rayonier Inc. - Chief Executive Officer's Certification Pursuant to Rule 13a-14(a)/15d-14(a) and pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
31.2	Rayonier Inc. - Chief Financial Officer's Certification Pursuant to Rule 13a-14(a)/15d-14(a) and pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
31.3	Rayonier, L.P. - Chief Executive Officer's Certification Pursuant to Rule 13a-14(a)/15d-14(a) and pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
31.4	Rayonier, L.P. - Chief Financial Officer's Certification Pursuant to Rule 13a-14(a)/15d-14(a) and pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
32.1	Rayonier Inc. - Certification of Periodic Financial Reports Under Section 906 of the Sarbanes-Oxley Act of 2002	Furnished herewith
32.2	Rayonier, L.P. - Certification of Periodic Financial Reports Under Section 906 of the Sarbanes-Oxley Act of 2002	Furnished herewith
101	The following financial information from Rayonier Inc. and Rayonier, L.P.'s Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2022, formatted in Extensible Business Reporting Language ("XBRL"), includes: (i) the Consolidated Statements of Income and Comprehensive Income for the Three Months Ended March 31, 2022 and 2021 of Rayonier Inc.; (ii) the Consolidated Balance Sheets as of March 31, 2022 and December 31, 2021 of Rayonier Inc.; (iii) the Consolidated Statements of Changes in Shareholders' Equity for the Three Months Ended March 31, 2022 and 2021 of Rayonier Inc.; (iv) the Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2022 and 2021 of Rayonier Inc.; (v) the Consolidated Statements of Income and Comprehensive Income for the Three Months Ended March 31, 2022 and 2021 of Rayonier, L.P.; (vi) the Consolidated Balance Sheets as of March 31, 2022 and December 31, 2021 of Rayonier, L.P.; (vii) the Consolidated Statements of Changes in Capital for the Three Months Ended March 31, 2022 and 2021 of Rayonier, L.P.; (viii) the Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2022 and 2021 of Rayonier, L.P.; and (ix) the Notes to Consolidated Financial Statements of Rayonier Inc. and Rayonier, L.P.	Filed herewith
104	The cover page from the Company's Quarterly Report on Form 10-Q from the quarter ended March 31, 2022, formatted in Inline XBRL (included as Exhibit 101).	

* Management contract or compensatory plan.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, each of the registrants has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

RAYONIER INC.

By: /s/ APRIL TICE

April Tice
Vice President and Chief Accounting Officer
(Duly Authorized Officer, Principal Accounting Officer)

Date: May 6, 2022

RAYONIER, L.P.

By: RAYONIER INC., its sole general partner

By: /s/ APRIL TICE

April Tice
Vice President and Chief Accounting Officer
(Duly Authorized Officer, Principal Accounting Officer)

Date: May 6, 2022

RAYONIER INVESTMENT AND SAVINGS PLAN FO R SALARIED EMPLOYEES

ADOPTION AGREEMENT # 001 NON-STANDARDIZED
DEFINED CONTRIBUTION PRE-APPROVED PLAN

The undersigned Employer, by executing this Adoption Agreement, establishes a retirement plan (collectively "Plan") under the Great West Trust Company, LLC Defined Contribution Pre-Approved Plan (basic plan document #02). The Employer, subject to the Employer's Adoption Agreement elections, adopts fully the Pre-Approved Plan provisions. This Adoption Agreement, the basic plan document and any attached Appendices or agreements permitted or referenced therein, constitute the Employer's entire plan document. *All "Election" references within this Adoption Agreement are Adoption Agreement Elections. All "Article" or "Section" references are basic plan document references. Numbers in parentheses which follow election numbers are basic plan document references.* Where an Adoption Agreement election calls for the Employer to supply text, the Employer (without altering the content of any existing printed text) may lengthen any space or line, or create additional tiers. When Employer-supplied text uses terms substantially similar to existing printed options, all clarifications and caveats applicable to the printed options apply to the Employer-supplied text unless the context requires otherwise. The Employer makes the following elections granted under the corresponding provisions of the basic plan document.

ARTICLE I DEFINITIONS

1. EMPLOYER **(1.24)**. *(An amendment to the Adoption Agreement is not needed solely to reflect a change in this Employer Information Section.)*

Name: Rayonier Inc. Address: 1 Rayonier Way, Wildlight, Florida 32097 Phone number: (904) 357-9100

Taxpayer Identification Number (TIN): 13-2607329 E-mail *(optional)*: ____ Employer's Taxable Year *(optional)*: December 31

2. PLAN **(1.42)**.

Name: Rayonier Investment and Savings Plan for Salaried Employees

Plan number: 100 *(3-digit number for Form 5500 reporting)*

Name of Trust: Great-West Trust Company, LLC Trust Trust EIN *(optional)*: __

3. PLAN/LIMITATION YEAR **(1.44/1.34)**. Plan Year and Limitation Year mean the 12 consecutive month period (except for a short Plan/Limitation Year) ending every:

[*Note: Complete any applicable blanks under Election 3 with a specific date, e.g., June 30 OR the last day of February OR the first Tuesday in January. In the case of a Short Plan Year or a Short Limitation Year, include the year, e.g., May 1, 2020.*]

Plan Year *(select one of (a) or (b); choose (c) if applicable)*:

(a) **[X] December 31.**

(b) **[ ] Fiscal Plan Year:** ending: __.

(c) **[ ] Short Plan Year:** commencing: __and ending: __.

Limitation Year *(select one of (d) or (e); choose (f) if applicable)*:

(d) **[X] Generally same as Plan Year.** The Limitation Year is the same as the Plan Year except where the Plan Year is a short year in which event the Limitation Year is always a 12 month period, unless the short Plan Year (and short Limitation Year) result from a Plan amendment.

(e) **[ ] Different Limitation Year:** ending: __.

(f) **[ ] Short Limitation Year:** commencing: __and ending: __.

4. EFFECTIVE DATE **(1.20)**. The Employer's adoption of the Plan is a *(select one of (a) or (b); complete (c) for all plans; complete (d) if an amendment and restatement)*:

(a) **[ ] New Plan.**

(b) **[X] Restated Plan.**

CYCLE3 RESTATEMENT (leave blank if not applicable)

(1) **[X]** This is an amendment and restatement to bring a plan into compliance with the requirements of the 2017 Cumulative List (Notice 2017-37).

Initial Effective Date of Plan *(enter date)*

(c) **[X]** 3-1-1994 (hereinafter called the "Effective Date" unless 4(d) is entered below)

[Note: The Effective Date in 4(c) cannot be earlier than the first day of the Plan Year in which the Plan is adopted. The Effective Date of any Salary Reduction Agreement will not be earlier than the date the Plan is adopted. See 1.57(A)]

Restatement Effective Date *(If this is an amendment and restatement, enter effective date of the restatement)*

(d) **[X]** March 1, 2022 (enter month day, year; this date cannot be earlier than the first day of the current Plan Year. The Plan contains appropriate retroactive effective dates with respect to provisions for the appropriate laws if the Plan is a Cycle 3 Restatement.) (hereinafter called the "Effective Date")

[*Note*: *See Section 1.54 for the definition of Restated Plan. If this Plan is a Cycle 3 Restatement, the basic plan document supplies the Effective Dates of various recent legal changes. If specific Plan provisions, as reflected in this Adoption Agreement and the basic plan documents, do not have the Effective Date stated in this Election 4, indicate as such in the election where called for or in Appendix A.*]

Optional provisions. *(choose one or more of (e) and (f) if applicable)* :

(e) **[ ] Restatement of surviving and merging plans.** The Plan restates two (or more) plans *(Complete 4(c) and (d) above for this (surviving) Plan. Complete (1) below for the merging plan. Choose (2) if applicable. Unless otherwise noted, the restated Effective Date with regard to a merging plan is the later of the date of the merger or the restated Effective Date of this Plan.)*:

(1) **[ ] Merging plan.** The ____Plan was or will be merged into this surviving Plan as of: __. The merging plan's restated Effective Date is: __. T he merging plan's original Effective Date was: __.

[*See the Note under Election 4(d) if this document is the merging plan's Cycle 3 restatement.*]

(2) **[ ] Additional merging plans.** The following additional plans were or will be merged into this surviving Plan *(Complete a.; complete b. if applicable)*:

	Name of merging plan	Merger date	Restated Effective Date	Original Effective Date
a.	__	__	__	__
b.	__	__	__	__

(f) **[ ] Special Effective Date for Elective Deferral provisions: __**

[*Note: If Elective Deferral provision is not effective as of the Initial Effective Date or the Restatement Effective Date, enter the date as of which the Elective Deferral provision is effective. The Special Effective Date may not precede the date on which the Employer adopted the Plan.*]

5. TYPE OF PLAN **(1.29/1.36/1.48)** *(select one of (a), (b), or (c))*

(a) **[X] 401(k) Plan.** *[Note: A 401(k) Plan is also a Profit Sharing Plan. Section 1.29]*

(b) **[ ] Money Purchase Pension Plan.** [*Note: Under Contributions, may only elect 6(d), 6(f), and 6(h). In applying Adoption Agreement elections, Nonelective Contributions include Money Purchase Pension Contributions unless the context requires otherwise.]*

(c) **[ ] Profit Sharing Plan.** [*Note: Under Contributions, may only elect 6(d), 6(f), and 6(h).*]

6. CONTRIBUTION TYPES **(1.12)**. T he selections made below should correspond with the selections made under Article III of this Adoption Agreement. *(If this is a frozen Plan (i.e., all contributions have ceased), choose (a) only and PRIOR CONTRIBUTIONS only)*:

Frozen Plan. See Sections 3.01(J) and 11.04. *(leave blank if not applicable)*

(a) **[ ] Contributions cease.** All Contributions have ceased or will cease (Plan is frozen). *(choose (1) if applicable, then skip to Election 7)*

(1) **[ ] Effective date of freeze: __**[*Note: Effective date is optional unless this is the amendment or restatement to freeze the Plan.*]

[*Note: Elections 20 through 30 and Elections 35 through 37 do not apply to any Plan Year in which the Plan is frozen .*]

Contributions. The Employer and/or Participants, in accordance with the Plan terms, make the following Contribution Types to the Plan/Trust *(select one or more of (b) through (h)):*

(b) **[X] Pre-Tax Deferrals.** See Section 3.02 and Elections 20 -23.

(1) **[X] Roth Deferrals.** See Section 3.02(E) and Elections 20, 21, and 23. [*Note: The Employer may not limit Elective Deferrals to Roth Deferrals only.*]

(c) **[X] Matching.** See Sections 1.35 and 3.03 and Elections 24 -26. [*Note: The Employer may make an Operational QMAC without electing 6(c). See Section 3.03(C)(2). Do not elect for a safe harbor plan; use 6(e) instead.*]

(d) **[X] Nonelective/Money Purchase Pension Plan.** See Sections 1.38 and 3.04 and Elections 27 -29. [*Note: The Employer may make an Operational QNEC without electing 6(d). See Section 3.04(C)(2).*]

(e) **[ ] Safe Harbor/Additional Matching.** The Plan is (or pursuant to a delayed election, may be) a safe harbor 401(k) Plan. The Employer will make (or under a delayed election, may make) Safe Harbor Contributions as it elects in Election 30. T he Employer may or may not make Additional Matching Contributions as it elects in Election 30. See Election 26 as to matching Catch-Up Deferrals. See Section 3.05.

(f) **[X] Employee (after-tax).** See Section 3.09 and Election 35.

(g) **[ ] SIMPLE 401(k).** The Plan is a SIMPLE 401(k) Plan. See Section 3.10. [*Note: The Employer electing 6(g) must elect a calendar year under 3(a) and may not elect any other Contribution Types except under Elections 6(b) and 6(h).*]

(h) **[ ] Designated IRA.** See Section 3.12 and Election 36.

Prior Contributions. The Plan used to permit, but no longer does, the following contributions (optional; choose all that apply, if any):

(i) **[ ]** Pre-tax Elective Deferrals

(j) **[ ]** Roth Elective Deferrals

(k) **[ ]** Safe Harbor Contributions

(l) **[ ]** Matching contributions

(m) **[ ]** Money Purchase Pension Plan contributions

(n) **[ ]** Other Nonelective contributions

(o) **[ ]** Rollover contributions

(p) **[ ]** Employee contributions

(q) **[ ]** SIMPLE 401(k) contributions

(r) **[ ]** Designated IRA

7. DISABILITY **(1.16)**. A Participant is Disabled or has a Disability if *(select one of (a) through (d))*:

(a) **[ ]** The Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve months. The permanence and degree of such impairment must be supported by medical evidence.

(b) **[ ]** The Social Security Administration or Railroad Retirement Board determines that the Participant is totally disabled.

(c) **[ ]** The applicable insurance company providing disability insurance to the Participant under an Employer sponsored disability program determines that a Participant is disabled under the insurance contract definition of disability.

(d) **[X] Describe:** a Participant's eligibility to receive a benefit under the Employer's long term disability plan

[*Note: The Employer may elect an alternative definition of disability for purposes of Plan distributions (e.g., Participants covered under the Employer's disability insurance program are Disabled if the applicable insurance company providing insurance pursuant to that program determines that the Participant is disabled under the insurance contract definition of disability. Other Participants are disabled if the Social Security Administration or Railroad Retirement Board determines that the Participant is totally disabled.)* .]

8. EXCLUDED EMPLOYEES **(1.22(D))**. T he following Employees are not Eligible Employees but are Excluded Employees *(select one of (a), (b), or (c)):*

[*Note: Regardless of the Employer's elections under Election 8: (i) Employees of any Related Employers (excluding the Signatory Employer) are Excluded Employees unless the Related Employer becomes a Participating Employer; and (ii) Reclassified Employees and Leased Employees are Excluded Employees unless the Employer in Appendix B elects otherwise. See Sections 1.22(B), 1.22(D)(3), and 1.24(D). However, in the case of a Multiple Employer Plan, see Section 12.02(B) as to the Employees of the Lead Employer.*]

(a) **[ ] No Excluded Employees.** There are no additional excluded Employees under the Plan *as to any Contribution Type (skip to Election 9).*

(b) **[X] Exclusions - same for all Contribution Types.** The following Employees are Excluded Employees for all Contribution Types *(select one or more of (e) through (l); select column (1) for each exclusion elected at (e) through (k)):*

(c) **[ ] Exclusions - different exclusions apply.** The following Employees are Excluded Employees for the designated Contribution Type *(select one or more of (d) through (l); select Contribution Type as applicable (may only be selected with 401(k) plans))*:

[*Note for 401(k) plans: For this Election 8, unless described otherwise in Election 8(l), Elective Deferrals includes Pre-Tax Deferrals, Roth Deferrals, Employee Contributions and Safe Harbor Contributions. Matching includes all Matching Contributions except Safe Harbor Matching Contributions. Nonelective includes all Nonelective Contributions except Safe Harbor Nonelective Contributions.*]

Exclusions			**(1)** **All Contributions**
(d)	[ ]	**No exclusions.** No exclusions as to the designated Contribution Type.	**N/A** **(**(See Election 8(a))

[*Note: If the Employer under Election 8(k) elects to treat Part-Time, Temporary and Seasonal Employees as Excluded Employees and any such Employee actually completes at least 1,000 Hours of Service during the relevant Eligibility Computation Period, the Employee becomes an Eligible Employee. See Section 1.22(D)(4)* .]

(1) **[X] Describe exclusion category and/or Contribution Type :** As to All Contributions, exclude any Employee classified as a contingent worker.
(e.g., Exclude Division B Employees OR Exclude salaried Employees from Discretionary Matching Contributions.)

[*Notes: Any exclusion under Election 8 (l), except as to Part-Time/Temporary/Seasonal Employees, may not be based on age or Service or level of Compensation. See Election 14 for eligibility conditions based on age or Service. The exclusions entered under Election 8 (l) cannot result in the group of Nonhighly Compensated Employees (NHCEs) participating under the plan being only those NHCEs with the lowest amount of compensation and/or the shortest periods of service and who may represent the minimum number of these employees necessary to satisfy coverage under Code §410(b).*]

9. COMPENSATION **(1.11(B))**. The following base Compensation (as adjusted under Elections 10 and 11) applies in allocating Employer Contributions (or the designated Contribution Type) *(select one or more of (a) through (d); for 401(k) plans, select Contribution Type as applicable)*:

[*Note: For this Election 9 all definitions include Elective Deferrals unless excluded under Election 11. See Section 1.11(D). In applying any Plan definition which references Section 1.11 Compensation, where the Employer in this Election 9 elects more than one Compensation definition for allocation purposes, the Plan Administrator will use W-2 Wages for other Plan definitions of Compensation if the Employer has elected W-2 Wages for any Contribution Type or Participant group under Election 9. If the Employer has not elected W-2 Wages, the Plan Administrator for such other Plan definitions will use 415 Compensation. If the Plan is a Multiple Employer Plan, see Section 12.07. Election 9(d) below may cause allocation Compensation to fail to be nondiscriminatory under Treas. Reg. §1.414(s).*]

[*Note for 401(k) plans: Unless described otherwise in Election 9(d), Elective Deferrals includes Pre-Tax Deferrals, Roth Deferrals and Employee Contributions, Matching includes all Matching Contributions and Nonelective includes all Nonelective Contributions.*]

			(1) All Contributions		(2) Elective Deferrals	(3) Matching	(4) Nonelective
(a)	**[X]**	**W-2 Wages (plus Elective Deferrals).** See Section 1.11(B)(1).	**[X]**		**[ ]**	**[ ]**	**[ ]**
(b)	**[ ]**	**Code §3401(a) Federal Income Tax Withholding Wages (plus Elective Deferrals).** See Section 1.11(B)(2).	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**
(c)	**[ ]**	**415 Compensation (simplified). See Section 1.11(B)(3).** *[Note: The Employer may elect an alternative "general 415 Compensation" definition by electing 9(c) and by electing the alternative definition in Appendix B. See Section 1.11(B)(4).]*	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**

(d) **[ ] Describe Compensation by Contribution Type or by Participant group: __**

[*Note: Under Election 9(d), the Employer may: (i) elect Compensation from the elections available under Elections 9(a), (b), or (c), or a combination thereof as to a Participant group (e.g., W-2 Wages for Matching Contributions for Division A Employees and 415 Compensation in all other cases); and/or (ii) for 401(k) plans, define the Contribution Type column headings in a manner which differs from the "all-inclusive" description in the Note immediately preceding Election 9(a) (e.g., Compensation for Safe Harbor Matching Contributions means W-2 Wages and for Additional Matching Contributions means 415 Compensation). Selection of 9(d) may require testing of the plan's compensation definition under Treas. Reg. §1.414(s)-1 for it to be used in nondiscrimination testing, including the ADP or ACP tests.*]

Allocate based on specified 12 -month period *(leave blank if not applicable)*

(e)	**[ ]**	The allocation of all Contribution Types (or specified Contribution Types) will be made based on Compensation within a specified 12-month period ending within the Plan Year as follows:_.	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**

10. <u>PRE-ENTRY/POST -SEVERANCE COMPENSATION</u> **(1.11(H)/(I))**. Compensation under Election 9:

[*Note: Election 10(c) below may cause allocation Compensation to fail to be nondiscriminatory under Treas. Reg. §1.414(s).*]

[*Note for 401(k) plans: For this Election 10, unless described otherwise in Elections 10(c) or (n), Elective Deferrals includes Pre-Tax Deferrals, Roth Deferrals and Employee Contributions, Matching includes all Matching Contributions and Nonelective includes all Nonelective Contributions.*]

		Pre-Entry Compensation *(select one of (a), (b), or (c); for 401(k) plans, also select Contribution Type as applicable)*:	(1) All Contributions		(2) Elective Deferrals	(3) Matching	(4) Nonelective
(a)	**[ ]**	**Plan Year.** Compensation for the entire Plan Year which includes the Participant 's Entry Date. *[Note: If the Employer under Election 9(e) elects to allocate some or all Contribution Types based on a specified 12-month period, Election 10(a) applies to that 12-month period in lieu of the Plan Year.]*	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**
(b)	**[X]**	**Participating Compensation.** Only Participating Compensation. See Section 1.11(H)(1).	**[X]**	**OR**	**[ ]**	**[ ]**	**[ ]**

[*Note: Under a Participating Compensation election, in applying any Adoption Agreement elected contribution limit or formula, the Plan Administrator will count only the Participant's Participating Compensation. See Section 1.11(H)(1) as to plan disaggregation.*]

(c) **[ ] Describe Pre-Entry Compensation by Contribution Type or by Participant group: __**

[*Note: Under Election 10(c), the Employer may: (i) elect Compensation from the elections available under Pre-Entry Compensation or a combination thereof as to a Participant group (e.g., Participating Compensation for all Contribution Types as to Division A Employees, Plan Year Compensation for all Contribution Types to Division B Employees); and/or (ii) for 401(k) plans, define the Contribution Type column headings in a manner which differs from the "all-inclusive" description in the Note immediately preceding Pre-Entry Compensation (e.g., Compensation for Nonelective Contributions is Participating Compensation and for Safe Harbor Nonelective Contributions is Plan Year Compensation). Selection of 10(c) may require testing of the plan's compensation definition under Treas. Reg. §1.414(s)-1 for it to be used in nondiscrimination testing, including the ADP or ACP tests.*]

Post-Severance Compensation. The following adjustments apply to Post-Severance Compensation paid within any applicable time period as may be required *(select one of (d), (e), or (f)):*

[*Note: Under the basic plan document, if the Employer does not elect any adjustments, post-severance compensation includes regular pay, leave cash-outs, and deferred compensation, and excludes military and disability continuation payments.*]

(d) **[ ] None.** The Plan includes post-severance regular pay, leave cash-outs, and deferred compensation, and excludes post -severance military and disability continuation payments as to any Contribution Type except as required under the basic plan document *(skip to Election 11).*

(e) **[X] Same for all Contribution Type s.** The following adjustments to Post-Severance Compensation apply to all Contribution Types *(select one or more of (h) through (n); select column (1) for each option elected at (h) through (m))*:

(f) **[ ] Adjustments - different conditions apply.** The following adjustments to Post-Severance Compensation apply to the designated Contribution Types *(select one or more of (g) through (n); select Contribution Type as applicable) (may only be selected with 401(k) Plans)*:

Post-Severance Compensation			**(1) All Contributions**		**(2) Elective Deferrals**	**(3) Matching**	**(4) Nonelective**
(g)	**[ ]**	**None.** The Plan takes into account Post -Severance Compensation as to the designated Contribution Types as specified under the basic plan document.	**N/A** (See Election 10(d))	**OR**	**[ ]**	**[ ]**	**[ ]**
(h)	**[ ]**	**Exclude All.** Exclude all Post-Severance Compensation. [*Note: 415 testing Compensation (versus allocation Compensation) must include Post-Severance Compensation comprised of regular pay. See Section 4.05(F).*]	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**
(i)	**[ ]**	**Regular Pay.** Exclude Post -Severance Compensation comprised of regular pay. See Section 1.11(I)(1)(a). *[Note: 415 testing Compensation (versus allocation Compensation) must include Post-Severance Compensation comprised of regular pay. See Section 4.05(F).]*	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**
(j)	**[X]**	**Leave cash-out.** Exclude Post-Severance Compensation comprised of leave cash-out. See Section 1.11(I)(1)(b).	**[X]**	**OR**	**[ ]**	**[ ]**	**[ ]**
(k)	**[X]**	**Deferred Compensation.** Exclude Post-Severance Compensation comprised of deferred compensation. See Section 1.11(I)(1)(c).	**[X]**	**OR**	**[ ]**	**[ ]**	**[ ]**
(l)	**[ ]**	**Salary continuation for military service.** Include Post-Severance Compensation comprised of salary continuation for military service. See Section 1.11(I)(2).	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**
(m)	**[ ]**	**Salary continuation for disabled Participants.** Include Post-Severance Compensation comprised of salary continuation for disabled Participants. See Section 1.11(I)(3). (select one of (1) or (2)):	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**
	(1)	**[ ] For NHCEs only.**					
	(2)	**[ ] For all Participants.** The salary continuation will continue for the following fixed or determinable period: __*(specify period).*					

(n) **[ ] Describe Post-Severance Compensation by Contribution Type or by Participant group: __**

[*Note: Under Election 10(n), the Employer may: (i) elect Compensation from the elections available under Post-Severance Compensation or a combination thereof as to a Participant group (e.g., Include regular pay Post-Severance Compensation for all Contribution Types as to Division A Employees, no Post-Severance Compensation for all Contribution Types to Division B Employees); and/or (ii) for 401(k) Plans define the Contribution Type column headings in a manner which differs from the "all-inclusive" description in the Note immediately preceding Pre-Entry Compensation (e.g., Compensation for Nonelective Contributions does not include any Post-Severance Compensation and for Safe Harbor Nonelective Contributions includes regular pay Post-Severance Compensation). Selection of 10(n) may require testing of the plan's compensation definition under Treas. Reg. §1.414(s)-1 for it to be used in nondiscrimination testing, including the ADP or ACP tests.*]

11. EXCLUDED COMPENSATION **(1.11(G))**. Apply the following Compensation exclusions to Elections 9 and 10 *(select one of (a), (b), or (c)):*

[*Note: If the Plan applies permitted disparity, allocations also must be based on a nondiscriminatory definition of Compensation if the Plan is to avoid more complex testing. Elections 11(h) through (m) below may cause allocation Compensation to fail to be nondiscriminatory under Treas. Reg. §1.414(s)-1 and may result in more complex nondiscrimination testing.*]

(a) **[ ] No exclusions.** Compensation as to all Contribution Types means Compensation as elected in Elections 9 and 10 *(skip to Election 12).*

(b) **[X] Exclusions - same for all Contribution Types .** The following exclusions apply to all Contribution Types *(select one or more of (e) through (m); select column (1) for each option elected at (e) through (k))*:

(c) **[ ] Exclusions - different conditions apply.** The following exclusions apply for the designated Contribution Types *(select one or more of (d) through (m) below; select Contribution Type as applicable) (may only be selected with 401(k) Plans)*:

[*Note for 401(k) Plans: In a safe harbor 401(k) plan, allocations qualifying for the ADP or ACP test safe harbors must be based on a nondiscriminatory definition of Compensation. For this Election 11, unless described otherwise in Election 11(m), Elective Deferrals includes Pre-Tax Deferrals, Roth Deferrals and Employee Contributions, Matching includes all Matching Contributions and Nonelective includes all Nonelective Contributions. Selection of (e)(1), Elective Deferrals, All Contributions, does not reduce Compensation for purposes of determining the amount of Elective Deferrals.*]

Compensation Exclusions			**(1) All Contributions**		**(2) Elective Deferrals**	**(3) Matching**	**(4) Nonelective**
(d)	**[ ]**	**No exclusions - limited.** No exclusion as to he designated Contribution Type(s).	**N/A** (See Election 11(a))		**[ ]**	**[ ]**	**[ ]**
(e)	**[ ]**	**Elective Deferrals.** See Section 1.21.	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**
(f)	**[X]**	**Fringe benefits.** As described in Treas. Reg. §1.414(s)-1(c)(3).	**[X]**	**OR**	**[ ]**	**[ ]**	**[ ]**
(g)	**[ ]**	**Compensation exceeding $__.** Apply this election to *(select one of (1) or (2)):*	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**
	(1)	**[ ] All Participants.** [*Note: If the Employer elects Safe Harbor Contributions under Election 6(e), the Employer may not elect in this 11(g) to limit the Safe Harbor Contribution allocation to the NHCEs.*]					
	(2)	**HCE Participants only.**					
(h)	**[ ]**	**Bonus***	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**
(i)	**[ ]**	**Commission***	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**
(j)	**[ ]**	**Overtime***	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**
(k)	**[ ]**	**Related Employers.** See Section 1.24(C).	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**
(l)	**[ ]**	**Severance pay prior to severance.** Severance pay paid after severance is automatically excluded. See 1.11(I)*	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**

(m) **[X]** **Describe Compensation exclusion(s):*** As to All Contributions, exclude all bonuses except the Annual Bonus program, all short term disability or disability salary continuation payments, foreign service allowance.

[*Note: Under Election 11(m), the Employer may: (i) describe Compensation from the elections available under Elections 11(d) through (l), or a combination thereof as to a Participant group (e.g., No exclusions as to Division A Employees and exclude bonus a s to Division B Employees); (ii) for 401(k) Plans, define the Contribution Type column headings in a manner which differs from the "all -inclusive" description in the Note immediately following Election 11(c) (e.g., Elective Deferrals means §125 cafeteria deferrals only OR No exclusions as to Safe Harbor Contributions and exclude bonus as to Nonelective Contributions); and/or (iii) describe another exclusion (e.g., Exclude shift differential pay). Selection of any item indicated with an asterisk (*) may require testing of the plan's compensation definition under Treas. Reg. §1.414(s)-1 for it to be used in nondiscrimination testing, including the ADP or ACP tests.*]

12. HOURS OF SERVICE **(1.32)**. T he Plan credits Hours of Service for the following purposes (and to the Employees described in Elections 12(d) or (e)) as follows *(select one or more of (a) through (e); select purposes as applicable)*:

			(1) All Purposes		**(2) Eligibility**	**(3) Vesting**	**(4) Allocation Conditions**
(a)	**[ ]**	**Actual Method.** See Section 1.32(A)(1).	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**
(b)	**[ ]**	**Equivalency Method:** *(e.g., daily, weekly, etc.)*. See Section 1.32(A)(2).	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**
(c)	**[X]**	**Elapsed Time Method.** See Section 1.32(A)(3)	**[ ]**	**OR**	**[ ]**	**[X]**	**[ ]**
(d)	**[ ]**	**Actual (hourly) and Equivalency (salaried).** Actual Method for hourly paid Employees and Equivalency Method: *(e.g., daily, weekly, etc.)* for Employees for whom records of actual Hours of Service are not maintained or available, such as salaried Employees.	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**

(e) **[ ] Describe method: __**

[*Note: Under Election 12(e), the Employer may describe Hours of Service from the elections available under Elections 12(a) through (d), or a combination thereof as to a Participant group and/or Contribution Type (e.g., For all purposes, Actual Method applies to office workers and Equivalency Method applies to truck drivers).*]

13. ELECTIVE SERVICE CREDITING **(1.59(C))**. The Plan must credit Related Employer Service under Section 1.24(C) and also must credit certain Predecessor Employer/Predecessor Plan Service under Section 1.59(B). If the Plan is a Multiple Employer Plan, the Plan also must credit Service as provided in Section 12.08. The Plan also elects under Section 1.59(C) to credit as Service the following Predecessor Employer service *(select one of (a) or (b))*:

(a) **[ ] Not applicable.** No elective Predecessor Employer Service crediting applies *(skip to Election 14)*.

(b) **[X] Applies.** The Plan credits the specified service with the following designated Predecessor Employers as Service for the Employer for the purposes indicated *(select one or more of (1) and (2))*:

[*Note: Any elective Service crediting under this Election 13 must be nondiscriminatory* .]

(1) **[ ] All purposes.** Credit as Service for all purposes, service with Predecessor Employer(s): __ *(insert as many names as needed).*

(2) **[X] Designated purposes.** Credit as Service, service with the following Predecessor Employer(s) for **(1) (2) (3)** **Contribution** the designated purpose(s): *(select one* or more **Eligibility Vesting Allocation** *of (a) through (d); select purposes as applicable.)*

(1) [ ] **All purposes.** Credit as Service for all purposes, service with Predecessor Employer(s): __*(insert as many names as needed).*

(2) [X] **Designated purposes.** Credit as Service, service with the following Predecessor Employer(s) for t he designated purpose(s): *(select one or more of (a) through (d); select purposes as applicable.)*

			(1) Eligibility	**(2) Vesting**	**(3) Contribution Allocation**
a.	[X]	Employer: <u>Pope Resources; Olympic Resource Management; Olympic Property Group</u>	[ ]	[X]	[ ]
b.	[ ]	Employer:	[ ]	[ ]	[ ]
c.	[ ]	Employer:	[ ]	[ ]	[ ]
d.	[ ]	Any entity the Employer acquires whether by asset or stock purchase, but only with respect to individuals who are employees of the acquired entity at the time of the acquisition	[ ]	[ ]	[ ]

Time period. Subject to any exceptions noted under Election 13(f), the Plan credits as Service under Elections 13(b)(1) or (2) *(select one or more of (c), (d), or (e))*:

(c) **[X] All.** All service, regardless of when rendered.
(d) **[ ] Service after.** All service, which is or was rendered after: ___*(specify date).*
(e) **[ ] Service before.** All service, which is or was rendered before: __*(specify date).*

Describe elective Predecessor Employer Service crediting *(leave blank if not applicable)*

(f) **[ ] Describe: __**

[*Note: Under Election 13(f), the Employer may describe service crediting from the elections available under Elections 13(b) through (e), or a combination thereof as to a Participant group and/or Contribution Type (e.g., For all purposes credit all service with X, but credit service with Y only on/after 1/1/18 OR Credit all service for all purposes with entities the Employer acquires after 12/31/17 OR Service crediting for X Company applies only for purposes of Nonelective Contributions and not for Matching Contributions).*]

ARTICLE II
ELIGIBILITY REQUIREMENTS

14. <u>ELIGIBILITY</u> **(2.01)**. To become a Participant in the Plan, an Eligible Employee must satisfy *(select one of (a), (b), or (c))*:

[*Note for 401(k) Plans: If the Employer under a safe harbor plan elects "early" eligibility for Elective Deferrals (e.g., less than one Year of Service and age 21), but does not elect early eligibility for any Safe Harbor Contributions, also see Election 30(m).*]

[*Note: No eligibility conditions apply to Prevailing Wage Contributions. See Section 2.01(D).*]

(a) **[X] No conditions.** No eligibility conditions as to all Contribution Types. Entry is on the Employment Commencement Date (if that date is also an Entry Date), or if later, upon the next following Plan Entry Date *(skip to Election 16)*.

(b) **[ ] Eligibility - same for all Contribution Type s .** To become a Participant in the Plan as to all Contribution Types, an Eligible Employee must satisfy the following eligibility conditions *(select one or more of (e) through (k)). Choose column (1) for each option elected at (e) through (j).*:

(c) **[ ] Eligibility - different conditions apply.** To become a Participant in the Plan for the designated Contribution Types, an Eligible Employee must satisfy the following eligibility conditions (either as to all Contribution Types or as to the designated Contribution Type) *(select one or more of (d) through (k); select Contribution Type as applicable) (may only be selected with 401(k) Plans)*:

[*Note for 401(k) plans: For this Election 14, unless described otherwise in Election 14(k), or the context otherwise requires, Elective Deferrals includes Pre-Tax Deferrals, Roth Elective Deferrals and Employee Contributions, Matching includes all Matching Contributions (except Safe Harbor Matching Contributions, Operational Matches, and Operational QMACs) and Nonelective includes all Nonelective Contributions (except Safe Harbor Nonelective Contributions and Operational QNECs). The Plan Administrator may apply Plan provisions relating to months based on a 30 -day month or adopt similar reasonable conventions. Section 2.02(E)(3). Thus, the Plan may apply a 3-month service requirement as a 90-day requirement. Safe Harbor includes Safe Harbor Nonelective and Safe Harbor Matching Contributions. If the Employer elects more than one Year of Service as to Additional Matching, the Plan will not satisfy the ACP test safe harbor. See Section 3.05(F)(3).*]

Eligibility Conditions			(1) All Contributions		(2) Elective Deferrals	(3) Matching	(3) Nonelective	(5) Safe Harbor
(d)	[ ]	**None.** Entry on the Employment Commencement Date (if that date is also an Entry Date) or if later, upon the next following Plan Entry Date.	**N/A** (See Election 14(a))		[ ]	[ ]	[ ]	[ ]
(e)	[ ]	**Age __** *(not to exceed age 21 except as provided in Section 2.02(G).)*	[ ]	**OR**	[ ]	[ ]	[ ]	[ ]
(f)	[ ]	**One Year of Service.** See Election 16(a).	[ ]	**OR**	[ ]	[ ]	[ ]	[ ]
(g)	[ ]	**Two Years of Service** (without an intervening Break in Service). 100% vesting is required. [*Note for 401(k) Plans: Two Years of Service does not apply to Elective Deferrals, Safe Harbor Contributions or SIMPLE Contributions.*]	**N/A**		**N/A**	[ ]	[ ]	**N/A**
(h)	[ ]	**____ month(s)** *(not exceeding 12 months for Elective Deferrals, Safe Harbor Contributions and SIMPLE Contributions (401(k) Plans) and not exceeding 24 months for other contributions).* If more than 12 months, 100% vesting is required. Service need not be continuous (no minimum Hours of Service required, and is mere passage of time). *[Note: While satisfying a months of service condition without an Hours of Service requirement involves the mere passage of time, the Plan need not apply the Elapsed Time Method in Election 12(c) above, and still may elect the Actual Method in 12(a) above.]*	[ ]	**OR**	[ ]	[ ]	[ ]	[ ]
(i)	[ ]	**____month(s) with at least Hours of Service in each month** *(not exceeding 12 months for Elective Deferrals, Safe Harbor Contributions and SIMPLE Contributions (401(k) Plans) and not exceeding 24 months for other contributions).* If more than 12 months, 100% vesting is required. If the Employee does not complete the designated Hours of Service each month during the specified monthly time period, the Employee is subject to the one Year of Service (or two Years of Service if elect more than 12 months) requirement as defined in Election 16. The months during which the Employee completes the specified Hours of Service *(select one of (1) or (2)):*	[ ]	**OR**	[ ]	[ ]	[ ]	[ ]
(1)	[ ]	**Consecutive.** Must be consecutive.						
(2)	[ ]	**Not consecutive.** Need not be consecutive.						
(j)	[ ]	**______Hours of Service within the time period following the Employee's Employment Commencement Date** *(not exceeding 12 months for Elective Deferrals, Safe Harbor Contributions and SIMPLE Contributions (401(k) Plans) and not exceeding 24 months for other contributions)*. If more than 12 months, 100% vesting is required. If the Employee does not complete the designated Hours of Service during the specified time period (if any), the Employee is subject t o t he one Year of Service (or two Years of Service if elect more than 12 months) requirement as defined in Election 16.	[ ]	**OR**	[ ]	[ ]	[ ]	[ ]

[*Note: The Employer may leave the time period option blank in Election 14(j) if the Employer wishes to impose an Hour of Service requirement without specifying a time period within which an Employee must complete the required Hours of Service.*]

(k) **[ ] Describe eligibility conditions: __**

[*Note: The Employer may use Election 14(k) to describe different eligibility conditions as to different Contribution Types or Employee groups (e.g., As to all Contribution Types, no eligibility requirements for Division A Employees and one Year of Service as to Division B Employees). The Employer also may elect different ages for different Contribution Types and/or to specify different months or Hours of Service requirements under Elections 14(h), (i), or (j) as to different Contribution Types. Any election must satisfy Code §410(a).*]

15. SPECIAL ELIGIBILITY EFFECTIVE DATE (DUAL ELIGIBILITY) **(2.01(E))**. The eligibility conditions of Election 14 and the entry date provisions of Election 17 apply to all Employees unless otherwise elected below (choose one or more of (a) or (b) if applicable): [*Note: Elections 15(a) or (b) may trigger a coverage failure under Code §410(b).*]

(a) **[ ] Waiver of eligibility conditions for certain Employees.** For all Contribution Types, the eligibility conditions and entry dates apply solely to an Eligible Employee employed or reemployed by the Employer after __*(specify date)*. If the Eligible Employee is an Employee on the specified date, the Employee will become a Participant on the latest of: (i) the Effective Date; (ii) the restated Effective Date; (iii) the Employee's Employment Commencement Date or Re-Employment Commencement Date; or (iv) the date t he Employee attains age __*(not exceeding age 21)*.

[*Note: If the Employer does not wish to impose an age condition under clause (iv) as part of the requirements for the eligibility conditions waiver, leave the age blank.*]

(b) **[ ] Describe special eligibility Effective Date(s): __**

[*Note: Under Election 15(b), the Employer may describe special eligibility Effective Dates as to a Participant group and/or Contribution Type (e.g., Eligibility conditions apply only as to Nonelective Contributions and solely as to the Eligible Employees of Division B who were hired or reemployed by the Employer after January 1, 2020).*]

16. YEAR OF SERVICE - ELIGIBILITY **(2.02(A))**. *(Choose (a), (b), and (c) if applicable.)*:

[*Note: If the Employer under Election 14 elects a one or two Year(s) of Service condition (including any requirement which defaults to such conditions under Elections 14(i), (j), and (k)) or elects to apply a Year of Service for eligibility under any other Adoption Agreement election, the Employer should complete this Election 16. The Employer should not complete Election 16 if it elects the Elapsed Time Method for eligibility.*]

(a) **[ ] Year of Service.** An Employee must complete __Hour(s) of Service during the relevant Eligibility Computation Period to receive credit for one Year of Service under Article II. [*Note: The number may not exceed 1,000. If left blank, the requirement is 1,000 Hours of Service.*]

(b) **[ ] Subsequent Eligibility Computation Periods.** Unless otherwise elected below, after the Initial Eligibility Computation Period described in Section 2.02(C)(2), the Plan measures Subsequent Eligibility Computation Periods as the Plan Year beginning with the Plan Year which includes the first anniversary of the Employee's Employment Commencement Date *(choose one of (1) or (2) if applicable)*:

(1) **[ ] Anniversary Year.** The Anniversary Year, beginning with the Employee's second Anniversary Year.

(2) **[ ] Split.** The Plan Year as to: __*(describe Contribution Type(s))* and the Anniversary Year as described in Election 16(b)(1) as to: ____*(describe Contribution Type(s))*.

[*Note: To maximize delayed entry under a two Years of Service condition for Nonelective Contributions or Matching Contributions, the Employer should elect to remain on the Anniversary Year for such contributions.*]

(c) **[ ] Describe: __**
(e.g., Anniversary Year as to Division A and Plan Year as to Division B.)

17. ENTRY DATE **(2.02(D))**. Entry Date means the Effective Date and:

[*Note: Entry as to Prevailing Wage Contributions is on the Employment Commencement Date. See Section 2.02(D)(3).*]

(a) **[X] Entry Date - same for all Contribution Type s** *(select one of (c) through (i))*:

(b) **[ ] Entry Date - different entry dates apply** *(select one or more of (c) through (i); select Contribution Type as applicable) (may only be selected with 401(k) Plans)*:

[*Note for 401(k) plans: For this Election 17, unless described otherwise in Election 17(i), Elective Deferrals includes Pre-Tax Deferrals, Roth Elective Deferrals and Employee Contributions, Matching includes all Matching Contributions except (Operational Matches and Operational QMACs) and Nonelective includes all Nonelective Contributions (except Operational QNECs).*]

			(1) Elective Deferrals	**(2) Matching**	**(3) Nonelective**
(c)	[ ]	**Semi-annual.** The first day of the first month and of the seventh month of t he Plan Year.	[ ]	[ ]	[ ]
(d)	[ ]	**First day of Plan Year.**	[ ]	[ ]	[ ]
(e)	[ ]	**First day of each Pl an Year quarter.**	[ ]	[ ]	[ ]
(f)	[ ]	**The first day of each month.**	[ ]	[ ]	[ ]
(g)	[X]	**Immediate.** Upon Employment Commencement Date or if later, upon satisfaction of eligibility conditions	[ ]	[ ]	[ ]
(h)	[ ]	**First day of each payroll period.**	[ ]	[ ]	[ ]
(i)	[ ]	**Describe Entry Date(s): __**			

[*Note: Under Election 17(i), the Employer may describe Entry Dates from the elections available under Elections 17(c) through (h), or a combination thereof as to a Participant group and/or Contribution Type or may elect additional Entry Dates (e.g., immediate a s to Division A Employees and semi-annual as to Division B Employees OR The earlier of the Plan's semi-annual Entry Dates or the entry dates under the Employer's medical plan).*]

18. PROSPECTIVE/RETROACTIVE ENTRY DATE **(2.02(D))**. An Employee after satisfying the eligibility conditions in Election 14 will become a Participant (unless an Excluded Employee under Election 8) on the Entry Date (if employed on that date) *(select one or more from (a) through (f))*: [Choose Contribution Type as applicable].

[*Note: Unless otherwise excluded under Election 8, an Employee who remains employed by the Employer on the relevant date must become a Participant by the earlier of: (i) the first day of the Plan Year beginning after the date the Employee completes the age and service requirements of Code §410(a); or (ii) 6 months after the date the Employee completes those requirements. For this Election 18, unless described otherwise in Election 18(f), Elective Deferrals includes Pre-Tax Deferrals, Roth Deferrals and Employee Contributions, Matching includes all Matching Contributions (except Operational Matches and Operational QMACs) and Nonelective includes all Nonelective Contributions and Money Purchase Pension Plan Contributions, (except Operational QNECs).*]

			(1) All Contributions		**(2) Elective Deferrals**	**(3) Matching**	**(4) Nonelective**
(a)	**[ ]**	**Immediately following or coincident with** the date the Employee completes the eligibility conditions.	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**
(b)	**[ ]**	**Immediately following** the date the Employee completes the eligibility conditions.	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**
(c)	**[ ]**	**Immediately preceding or coincident with** the date the Employee completes the eligibility conditions.	**N/A**		**N/A**	**[ ]**	**[ ]**
(d)	**[ ]**	**Immediately preceding** the date the Employee completes the eligibility conditions	**N/A**		**N/A**	**[ ]**	**[ ]**
(e)	**[ ]**	**Nearest** the date the Employee completes the eligibility conditions.	**N/A**		**N/A**	**[ ]**	**[ ]**
(f)	**[ ]**	**Describe retroactive/prospective entry relative to Entry Date:**					

[*Note: Under Election 18(f), the Employer may describe the timing of entry relative to an Entry Date from the elections available under Elections 18(a) through (e), or a combination thereof as to a Participant group and/or Contribution Type (e.g., nearest as to Division A Employees and immediately following as to Division B Employees).*]

19. BREAK IN SERVICE - PARTICIPATION **(2.03)**. The one year hold-out rule described in Section 2.03(C) *(select (a) or (b))*:

(a) **[X] Does not apply.**

(b) **[ ] Limited application.** Applies to the Plan, but only to a Participant who has incurred a Severance from Employment.

[*Note: The Plan does not apply the rule of parity under Code §410(a)(5)(D) unless the Employer in Appendix B specifies otherwise. See Section 2.03(D).*]

ARTICLE III
PLAN CONTRIBUTIONS AND FORFEITURES

20. ELECTIVE DEFERRAL LIMITATIONS; CODA **(3.02(A), (C))**. The following limitations apply to Elective Deferrals under Election 6(b), which are in addition to those limitations imposed under the basic plan document *(select (a) OR select one or more of (b) and (c))*:

(a) **[ ] None.** No additional Plan imposed limits *(skip to (d))*.

[*Note: The Employer under Election 20 may not impose a lower deferral limit applicable only to Catch -Up Eligible Participants and the Employer's elections must be nondiscriminatory. The elected limits apply to Pre-Tax Deferrals and to Roth Deferrals unless described otherwise. Under a safe harbor plan: (i) NHCEs must be able to defer enough to receive the maximum Safe Harbor Matching and Additional Matching Contribution under the Plan and must be permitted to defer any lesser amount; and (ii) the Employer may limit Elective Deferrals to a whole percentage of Compensation or to a whole dollar amount. See Section 1.57(C) as to administrative limitations on Elective Deferrals.*]

(b) **[X] Additional Plan limit(s).** *(select one or more of (1) and (2)):*

(1) **[X]** **Maximum deferral amount.** A Participant's Elective Deferrals may not exceed: 100% *(specify dollar amount and/or percentage of Compensation).*

(2) **[X]** **Minimum deferral amount.** A Participant's Elective Deferrals may not be less than: 1% *(specify dollar amount (not greater than $10,000) and/or percentage of Compensation (not greater than 10%)). [Note: Please see 3.05(C)(2) for restrictions on minimum deferrals if the Plan is a safe harbor 401(k) plan.]*

Application of limitations. The Election 20(b)(1) and (2) limitations apply based on Elective Deferral Compensation described in Elections 9 - 11. If the Employer elects Plan Year/Participating Compensation under column (1) and in Election 10 elects Participating Compensation, in the Plan Years commencing after an Employee becomes a Participant, apply the elected minimum or maximum limitations to the Plan Year. Apply the elected limitation based on such Compensation during the designated time period and only to HCEs as elected below. *(select (3) OR select one or more of (4) and (5); under each of (3) through (5), select one of (1) or (2); choose (3) if applicable)*:

			(1) Plan Year/ Participating Compensation	**(2) Payroll Period**	**(3) HCEs only**
(3)	[ ]	**Both.** Both limits under Elections 20(b)(1) and (2).	[ ]	[ ]	[ ]
(4)	[X]	**Maximum limit.** The maximum amount limit under Election 20(b)(1).	[X]	[ ]	[ ]
(5)	[X]	**Minimum limit.** The minimum amount limit under Election 20(b)(2).	[ ]	[X]	[ ]

(c) **[ ] Describe Elective Deferral l imitation(s): __**

[*Note: Under Election 20(c), the Employer may only: (i) describe limitations on Elective Deferrals from the elections available under Elections 20(a) and (b) or a combination thereof as to a Participant group (e.g., No limit applies to Division A Employees. Division B Employees may not defer in excess of 10% of Plan Year Compensation); (ii) elect a different time period to which the limitations apply; and/or (iii) apply a different limitation to Pre-Tax Deferrals and to Roth Deferrals.*]

CODA Applies *(leave blank if not applicable)*

(d) **[ ]** The CODA provisions of Section 3.02(C) apply. For each Plan Year for which the Employer makes a designated CODA contribution under Section 3.02(C), a Participant may elect to receive directly in cash not more than the following portion (or, if less, the Elective Deferral Limit (see 4.10(A)(1)) of his/her proportionate share of that CODA contribution *(select one of (1) or (2))*:

(1) **[ ] All or any portion.**

(2) **[ ] __%**

21. AUTOMATIC DEFERRAL **(ACA/EACA/Q ACA)** **(3.02(B))**. The Automatic Deferral provisions of Section 3.02(B) *(select one of (a) or (b); also see Election 22 regarding Automatic Escalation of Salary Reduction Agreements)*:

(a) **[ ] Do not apply.** The Plan is not an ACA, EACA, or QACA *(skip to Election 22).*

(b) **[X] Apply.** The Automatic Deferral Effective Date is the effective date of automatic deferrals or, as appropriate, any subsequent amendment thereto.

Type of Automatic Deferral Arrangement. The Plan is an *(select one of (1), (2), or (3))*:

(1) **[ ] ACA.** The Plan is an Automatic Contribution Arrangement (ACA) under Section 3.02(B)(1).

(2) **[X] EACA.** The Plan is an Eligible Automatic Contribution Arrangement (EACA) under Section 3.02(B)(2).

(3) **[ ] EACA/Q ACA.** The Plan is a combination EACA and Qualified Automatic Contribution Arrangement (QACA) under Sections 3.02(B)(3) and 3.05(J).

[*Note: If the Employer chooses Election 21(b)(3), the Employer also must choose election 6(e) and complete Election 30 as to the Safe Harbor Contributions under the QACA.*]

Participants affected. The Automatic Deferral applies to *(select one of (c) or (d). Choose (e) if applicable.)*:

(c) **[ ] All Participants.** All Participants, regardless of any prior Salary Reduction Agreement, unless and until they make a Contrary Election after the Automatic Deferral Effective Date.

(d) **[X] The following Participants** *(select one of (1) through (5))*:

(1) **[X] Election of at least Automatic Deferral Percentage.** All Participants, except those who have in effect a Salary Reduction Agreement on the Automatic Deferral Effective Date provided that the Elective Deferral amount under the Agreement is at least equal to the Automatic Deferral Percentage.

(2) **[ ] No existing Salary Reduction Agreement.** All Participants, except those who have in effect a Salary Reduction Agreement on the Automatic Deferral Effective Date regardless of the Elective Deferral amount under the Agreement.

(3) **[ ] Election of 0% or No existing Salary Reduction Agreement.** All Participants, except those who have in effect a Salary Reduction Agreement on the Automatic Deferral Effective Date provided that the Elective Deferral amount under the Agreement is greater than 0%.

(4) **[ ] New Participants (not applicable to QACA).** Each Employee whose Entry Date is on or following the Automatic Deferral Effective Date or the following date:

Other effective date. *(optional; specify a date other than the Automatic Deferral Effective Date)*

a. **[ ] __**

(5) **[ ] New hires (not applicable to QACA).** Each Employee whose Employment Commencement Date (or Reemployment Commencement Date) is on or following the Automatic Deferral Effective Date or the following date:

Other effective date. *(optional; specify a date other than the Automatic Deferral Effective Date)*

a. **[ ] __**

(e) **[ ] Describe affected Participants (not applicable to QACA): __**

[*Note: The Employer in Election 21(e) may further describe affected Participants, e.g., non-Collective Bargaining Employees OR Division A Employees. However, all Employees eligible to defer must be Covered Employees to apply the 6 -month correction period without excise tax under Code §4979.*]

Automatic Deferral Percentage/Scheduled increases. *(select one of (f), (g), or (h))*:

(f) **[X] Fixed percentage.** The Employer, as to each Participant affected, will withhold as the Automatic Deferral Percentage, 6% from the Participant's Compensation each payroll period unless the Participant makes a Contrary Election.

[*Note: In order to satisfy the QACA requirements, enter an amount between 6% and 10% if no scheduled increase.*]

(g) **[ ] QACA statutory increasing schedule.** The Automatic Deferral Percentage will be the minimum QACA Automatic Deferral Percentage under Section 3.02(B)(3)(b):

(h) **[ ] Other increasing schedule.** The Automatic Deferral Percentage will be:

Plan Year of application to a Participant	Automatic Deferral Percentage
__%	
__%	
__%	
__%	
__%	

[Note: The Automatic Deferral Percentage must satisfy the uniformity requirements of Section 3.02(B)(2)(b) if the Plan is a EACA or a QACA. The phrase "Plan Year of application to a Participant" refers to the number of Plan Years Automatic Deferrals have been withheld for the Participant, such that Plan Year 1 is the first Plan Year Automatic Deferrals are withheld for a Participant and Plan Year 2 is the following Plan Year.]

Scheduled increases to Fixed percentage. The Automatic Deferral Percentage elected in 21(f) will or will not increase in Plan Years following the Plan Year containing the Automatic Deferral Effective Date (or , if later, the Plan Year or partial Plan Year in which the Automatic Deferral first applies to a Participant) as follows: *(select one of (i), (j), or (k); skip if 21(f) not elected)*

(i) **[ ] No scheduled increase.** The Automatic Deferral Percentage applies in all Plan Years.

(j) **[X] Automatic increase.** The Automatic Deferral Percentage will increase by 2% per year up to a maximum of 10% of Compensation.

(k) **[ ] Describe increase: __**

[*Note: To satisfy the QACA requirements, the Automatic Deferral Percentage must be: (i) a fixed percentage which is at least 6% and not more than 10% of Compensation; (ii) an increasing Automatic Deferral Percentage in accordance with the schedule under Election 21(g); or (iii) an alternative schedule which must require, for each Plan Year, an Automatic Deferral Percentage that is at least equal to the Automatic Deferral Percentage under the schedule in Election 21(g) and which does not exceed 10%. See Section 3.02(B)(3).*]

EACA permissible withdrawal. The permissible withdrawal provisions of Section 3.02(B)(2)(d) *(select one of (l), (m) or (n); skip if not an EACA or an EACA/QACA):*

(l) **[ ] Do not apply.**

(m) **[ ] 90 day withdrawal.** Apply within 90 days of the first Automatic Deferral.

(n) **[X] 30-90 day withdrawal.** Apply within 45 days of the first Automatic Deferral *(may not be less than 30 nor more than 90 days).*

Contrary Election/Covered Employee. Any Participant who makes a Contrary Election *(select one of (o) or (p); leave blank if an ACA or a QACA not subject to the ACP test.)*:

(o) **[X] Covered Employee.** Is a Covered Employee and continues to be covered by the EACA provisions. [*Note: Under this Election, the Participant's Contrary Election will remain in effect, but the Participant must receive the EACA annual notice.*]

(p) **[ ] Not a Covered Employee.** Is not a Covered Employee and will not continue to be covered by the EACA provisions. [*Note: Under this Election, the Participant no longer must receive the EACA annual notice, but the Plan cannot use the six-month period for relief from the excise tax of Code §4979(f)(1).*]

Change Date. The Elective Deferrals under Election 21 (g), (h), (j), or (k) will increase on the following day each Plan Year *(select one of (q) through (t); skip if 21(g), (h), (j), or (k) not elected):*

(q) **[ ] First day of the Plan Year.**

(r) **[ ] Anniversary of a Participant's Entry Date.**

(s) **[ ] Anniversary of a Participant's Employment or Reemployment Commencement Date.**

(t) **[X] Other:** April 1st
(must be a specified or definitely determinable date that occurs at least annually)

Optional Provisions: *(choose one or more of (u) and (v) if applicable.)*

(u) **[ ] First Year of Increase.** The automatic increase under Election 21(j) or (k) will apply to a Participant beginning with the first Change Date after the Participant first has automatic deferrals withheld, unless otherwise elected below *(select one of (1) or (2))*:

(1) **[ ] Second Change Date.** The increase will apply as of the second Change Date thereafter.

(2) **[ ] At least 6 months after.** The increase will apply as of the first Change Date thereafter which is at least 6 months (or 180 days) after the Participant first has automatic deferrals withheld.

(v) **[ ] Describe Automatic Deferral:** __

[*Note: Under Election 21(v), the Employer may only describe Automatic Deferral provisions from the elections available under Election 21 and/or a combination thereof as to a Participant group (e.g., Automatic Deferrals do not apply to Division A Employees. All Division B Employee/Participants are subject to an Automatic Deferral Amount equal to 3% of Compensation effective as of January 1, 2020). The Automatic Deferral Percentage must satisfy the uniformity requirements of Section 3.02(B)(2)(b) if the Plan is a EACA or a QACA.*]

22. AUTOMATIC ESCALATION **(3.02(G))**. The Automatic Escalation provisions of Section 3.02(G) *(select one of (a) or (b); see Election 21 regarding Automatic Deferrals. Automatic Escalation applies to Participants who have a Salary Reduction Agreement in effect.)*:

(a) **[X] Do not apply.** *(skip to Election 23)*

(b) **[ ] Apply.** If Automatic Escalation applies to a Participant, this constitutes a provision that the Participant's affirmative election will expire annually, as described in the paragraph below.

Under a 401(k) plan, the plan may provide that an affirmative election expires annually. If a participant fails to complete a new affirmative election subsequent to their prior election expiring, the participant becomes subject to the default deferral percentage as outlined in this Election 22 and in Section 3.02(G). Each year, the participant can always complete a new affirmative election and designate a new deferral percentage.

Participants affected. The Automatic Escalation applies to *(select one of (c), (d), or (e))*:

(c) **[ ] All Deferring Participants.** All Participants who have a Salary Reduction Agreement in effect to defer at least __% of Compensation.

(d) **[ ] New Deferral Elections.** All Participants who file a Salary Reduction Agreement after the effective date of this Election, or, as appropriate, any amendment thereto, to defer at least __% of Compensation.

(e) **[ ] Describe affected Participants:** __

[*Note: The Employer in Election 22(e) may further describe affected Participants, e.g., non-Collective Bargaining Employees OR Division A Employees. The group of Participants must be definitely determinable and nondiscriminatory under Code §401(a)(4) and Code §401(k)(3).*]

Automatic Increases. *(Select one of (f) or (g))*

(f) **[ ] Automatic increase.** The Participant's Elective Deferrals will increase by __% per year up to a maximum of __% of Compensation unless the Participant has filed a Contrary Election after the effective date of this Election or, as appropriate, any amendment thereto.

(g) **[ ] Describe increase:** __

[*Note: The Employer in Election 22(g) may define different increases for different groups of Participants or may otherwise limit Automatic Escalation. Any such provisions must be definitely determinable and nondiscriminatory under Code §401(a)(4).*]

Change Date. The Elective Deferrals will increase on the following day each Plan Year *(Select one of (h) through (k))*:

(h) **[ ] First day of the Plan Year.**

(i) **[ ] Anniversary of a Participant's Entry Date.**

(j) **[ ] Anniversary of a Participant's Employment or Reemployment Commencement Date.**

(k) **[ ] Other: __***(must be a specified or definitely determinable date that occurs annually)*

First Year of Increase. The automatic escalation provision will apply to a participant beginning with the first Change Date after the Participant files a Salary Reduction Agreement (or, if sooner, the effective date of this Election, or, as appropriate, any amendment thereto), unless otherwise elected below: *(Choose one of (l) or (m) if applicable)*

(l) **[ ] Second Change Date.** The escalation provision will apply as of the second Change Date thereafter.

(m) **[ ] At least 6 months after.** The escalation provision will apply as of the first Change Date thereafter which is at least 6 months (or 180 days) after the date deferrals begin under the Participant's affirmative election.

23. CATCH-UP DEFERRALS **(3.02(D))**. The Plan permits Catch-Up Deferrals unless the Employer elects otherwise below. *(choose (a) if applicable)*

(a) **[ ] Not Permitted.** May not make Catch-Up Deferrals to the Plan.

24. MATCHING CONTRIBUTIONS (EXCLUDING SAFE HARBOR MATCH AND ADDITIONAL MAT CH UNDER SECT ION 3.05) **(3.03(A))**. T he Employer Matching Contributions under Election 6(c) are subject to the following additional elections regarding type (discretionary/fixed), rate/amount, limitations and time period (collectively, such elections are "the matching formula") and the allocation of Matching Contributions is subject to Section 3.06 except as otherwise provided *(select one or more of (a) through (f); then, for the elected match in (b) through (e), complete (1); choose one or more of (2) and (3) if applicable)* :

[*Note: If the Employer wishes to make any Matching Contributions that satisfy the ADP or ACP safe harbor, the Employer should make these Elections under Election 30, and not under this Election 24.*]

			(1) Matching Rate/Amt [$/% of Elective Deferrals]	(2) Limit on Deferrals Matched [$/% of Compensation]	(3) Limit on Match Amount [$/% of Compensation]
(a)	[X]	**Discretionary** see Section 1.35(B) *(The Employer may, but is not required to complete (a)(1)-(3). See the "Note" following Election 24(f))*	___	___	___

The Discretionary Matching Contribution under this Election 24(a) is a Flexible Discretionary Match unless the Employer elect s to use a Rigid Discretionary Match. *(Choose a. if applicable.)*. A Flexible Discretionary Match will be subject to the Instructions and Notice requirement of Section 3.03(A)(2)(c), reproduced below.

a. **[ ] Rigid Discretionary Match.** The Discretionary Matching Contribution is a Rigid Discretionary Match. A Rigid Discretionary Match is not subject to the Instructions and Notice requirement of Section 3.03(A)(2)(c).

Section 3.03(A)(2)(c) provides: **Instructions and Notice.** For any Plan Year beginning after the Plan Year the Employer signs it s Adoption Agreement, if the Employer makes a Flexible Discretionary Match to the Plan, the Employer must provide the Plan Administrator (or Trustee, if applicable), written instructions describing (1) how the Flexible Discretionary Match Formula will be allocated to Participants (e.g., a uniform percentage of Elective Deferrals or a flat dollar amount), (2) the computation period(s) to which the Flexible Discretionary Match Formula applies, and (3) if applicable, a description of each business location or business classification subject to separate Flexible Discretionary Match Formulas. Such instructions must be provided no later than the date on which the Flexible Discretionary Match is made to the Plan. A summary of these instruction s must be communicated to Participants who receive an allocation of the Flexible Discretionary Match no later than 60 days following the date on which the last Flexible Discretionary Match is made to the Plan for the Plan Year.

			(1)	(2)	(3)
(b)	[X]	**Fixed** uniform rate/amount	60%	6%	___
(c)	[ ]	**Fixed** - tiered	**Elective Deferral %** / **Matching Rate**	___	___
		(e.g., up to 3)	___ / ___%		
		(e.g., more than 3 up to 5)	___ / ___%		
			___ / ___%		
			___ / ___%		
(d)	[ ]	**Fixed** - Years of Service	**Years of Service** / **Matching Rate**	___	___
		(e.g., up to 2)	___ / ___%		
		(e.g., more than 2 up to 5)	___ / ___%		

"Years of Service" under this Election 24(d) means *(select one of a. or b)*:

a. **[ ] Eligibility.** Years of Service for eligibility in Election 16.

b. **[ ] Vesting.** Years of Service for vesting in Elections 42 and 43.

				(2)	(3)
(e)	[ ]	**Fixed** multiple formulas	Formula 1:	___	___
			Formula 2:	___	___
			Formula 3:	___	___

(f) **[X]** **Describe:** A Participant who receives a non-hardship withdrawal of Employee (after-tax) or Matching Contributions is suspended from receiving Matching Contributions for three months following the date of withdrawal.
(The Employer may only describe the matching formula from the elections available in this Election 24, and/or a combination thereof, as to a Participant group (e.g., Fixed Match of 50% of elective deferrals of deferrals up to 6% of annual compensation applies to Collective Bargaining Employees; Discretionary Match allocated each payroll period applies to all other Participants). The Group Allocation Limitations of Section 3.14 apply to allocations under this Election 2 4(f). If the formula is non-uniform, it is not a design-based safe harbor for nondiscrimination purposes.)

[*Note: See Section 1.35(A) as to Fixed Matching Contributions. A Participant's Elective Deferral percentage is equal to the Participant's Elective Deferrals divided by his/her Compensation. The matching rate/amount is the specified rate/amount o f match for the corresponding Elective Deferral amount/percentage. Any Matching Contributions apply to Pre-Tax Deferrals and to Roth Deferrals unless described otherwise in Election 24(g). Matching Contributions for nondiscrimination testing purposes are subject to the targeting limitations. See Section 4.10(D). The Employer under Election 24(a) in its discretion may determine the amount of a Discretionary Matching Contribution and the matching contribution formula. Alternatively, the Employer in Election 24(a) may specify elements of the Discretionary Matching Contribution formula.*]

Computation period, true-up. Any Matching Contribution other than a Flexible Discretionary Match will be allocated on the period described below: (*Select one of (g) through (l). Skip if the only Matching Contribution is a Flexible Discretionary Match.*)

(e) **[ ]** Each payroll period

(f) **[ ]** Each month

(g) **[ ]** Each Plan Year quarter

(h) **[ ]** Each payroll unit (e.g., hour)

(i) **[ ]** Other (specify): __ [*The time period described must be definitely determinable under Treas. Reg. §1.401- 1(b). This line may be used to apply different options to different matching contributions (e.g., Discretionary matching contributions will be allocated on a Plan Year period while fixed matching contributions will be allocated on each payroll period)]*

(j) **[X]** Each Plan Year

Related and Participating Employers *(choose (m) if applicable)*

(k) **[X]** If any Related and Participating Employers (or in the case of a Multiple Employer Plan, Participating Employers regardless of whether they are Related Employers) contribute Matching Contributions to the Plan, the following apply:

Matching formula. The matching formula for the Participating Employer(s) *(select one of (1) or (2))*:

(1) **[X] All the same.** Is (are) the same as for the Signatory Employer under this Election 24.

(2) **[ ] At least one different.** Is (are) as follows: __.

Allocation sharing. The Matching Contributions will be allocated to all Participants regardless of which Employer directly employs them and regardless of whether their direct Employer made Matching Contributions for the Plan Year unless otherwise elected below or specified in a participation agreement. *(choose (3) if applicable):*

(3) **[ ] Employer by Employer.** The Plan Administrator will allocate the Matching Contributions made by the Signatory Employer and by any Participating Employer only to the Participants directly employed by the contributing Employer.

[*Note: Unless the Plan is a Multiple Employer Plan, the Employer should not elect 24(m) unless there are Related Employers which are also Participating Employers. See Section 1.24(D).*]

25. QMAC (PLAN-DESIGNATED) **(3.03(C)(1))**. T he following provisions apply regarding Plan-Designated QMACs *(select one of (a) or (b))*:

(a) **[X] Not applicable.** There are no Plan-Designated QMACs.

(b) **[ ] Applies.** There are Plan-Designated QMACs to which the following provisions apply:

Matching Contributions affected. The following Matching Contributions (as allocated to the designated allocation group under Election 25(b)(2)) are Plan-Designated QMACs *(select one of (1) or (2))*:

(1) **[ ] All.** All Matching Contributions.

(2) **[ ] Designated.** Only the following Matching Contributions under Election 24: __.

Allocation Group. Subject to Section 3.06, allocate the Plan-Designated QMAC *(select one of (3) or (4))*:

(3) **[ ] NHC Es only.** Only to NHCEs who make Elective Deferrals subject to the Plan-Designated QMAC.

(4) **[ ] All Participants.** To all Participants who make Elective Deferrals subject to the Plan-Designated QMAC.

The Plan Administrator will allocate all other Matching Contributions as Regular Matching Contributions under Section 3.03(B) , except as provided in Sections 3.03(C)(2) or 3.05.

[*Note: See Section 4.10(D) as to targeting limitations applicable to QMAC nondiscrimination testing. Regardless of its selections under this Election 25, the Employer may elect for any Plan Year where the Plan is using Current Year Testing to make Operational QMACs which the Plan Administrator will allocate only to NHCEs for purposes of correction of an ADP or ACP test failure.*]

26. MATCHING CAT CH-UP DEFERRALS **(3.03(D))**. If a Participant makes a Catch-Up Deferral, the Employer *(select one of (a) or (b); skip if Election 23(a) is selected)*:

(a) **[X] Match.** Will apply to the Catch-Up Deferral *(select one of (1) or (2))*:

(1) **[X] All.** All Matching Contributions.

(2) **[ ] Designated.** The following Matching Contributions in Election 24: __.

(b) **[ ] No Match.** Will not match any Catch-Up Deferrals.

[*Note: Election 26 does not apply to a safe harbor 401(k) plan unless the Employer will apply the ACP test. See Elections 3 7(b)(2). In this case, Election 26 applies only to Additional Matching, if any. A safe harbor 401(k) Plan will apply the Basic Match, QACA Basic Match or Enhanced Match to Catch-Up Deferrals. If the Employer elects to apply the ACP test safe harbor under Election 37(b)(1), Election 26 does not apply and the Plan also will apply any Additional Match to Catch-Up Deferrals.*]

27. NONELECTIVE CONTRIBUTIONS (TYPE/AMOUNT) INCLUDING PREVAILING WAGE CONTRIBUTIONS AND MONEY PURCHASE PENSION PLAN CONTRIBUTIONS **(3.04(A))**. The Employer Nonelective Contributions under Election 6(d) are subject to the following additional elections as to type and amount *(select one or more of (a) through (d); choose (e) if applicable)*:

(a) **[X] Discretionary.** An amount the Employer in its sole discretion may determine. [*Note: This election is not available if this Plan is a Money Purchase Pension Plan.*]

(b) **[ ] Fixed.** *(Choose one or more of (1) through (3) as applicable.)*:

(1) **[ ] Uniform %.** __% of each Participant's Compensation, per __*(e.g., Plan Year, month)*.

(2) **[ ] Fixed dollar amount.** $__, per __*(e.g., Plan Year, month, HOS, per Participant per month)* .

(3) **[ ] Describe:** __ *(The formula described must satisfy the definitely determinable requirement under Treas. Reg. §1.401 -1(b). If the formula is non-uniform, it is not a design-based safe harbor for nondiscrimination purposes.)*

[*Note: The Employer under Election 27(b)(3) may specify any Fixed Nonelective Contribution formula not described under Elections 27(b)(1) or (2) (e.g., For each Plan Year, 2% of net profits exceeding $50,000 , or The cash value of unused paid time off, as described in Section 3.04(A)(2)(a) and the Employer's Paid Time Off Plan) and/or the Employer may describe different Fixed Nonelective Contributions as applicable to different Participant groups (e.g., A Fixed Nonelective Contribution equal to 5% of Plan Year Compensation applies to Division A Participants and a Fixed Nonelective Contribution equal to $500 per Participant each Plan Year applies to Division B Participants).*]

(c) **[ ] Prevailing Wage Contribution.** The Prevailing Wage Contribution amount(s) specified for the Plan Year or other applicable period in the Employer's Prevailing Wage Contract(s). The Employer will make a Prevailing Wage Contribution only to Participants covered by the Contract and only as to Compensation paid under the Contract. The Employer must specify the Prevailing Wage Contribution by attaching an appendix to the Adoption Agreement that indicates the contribution rate(s) applicable to the prevailing wage employment/job classification(s). If the Participant accrues an allocation of Employer Contributions (including forfeitures) under the Plan or any other Employer plan in addition to the Prevailing Wage Contribution, the Plan Administrator will *(select one of (1) or (2))*:

(1) **[ ] No offset.** Not reduce the Participant's Employer Contribution allocation by the amount of the Prevailing Wage Contribution.

(2) **[ ] Offset.** Reduce the Participant's Employer Contribution allocation by the amount of the Prevailing Wage Contribution.

(d) **[ ] Describe: __**
(The formula described must satisfy the definitely determinable requirement under Treas. Reg. §1.401-1(b). If the formula is non-uniform, it is not a design-based safe harbor for nondiscrimination purposes.)

[*Note: Under Election 27(d), the Employer may describe the amount and type of Nonelective Contributions from the elections available under Election 27 and/or a combination thereof as to a Participant group (e.g., A Discretionary Nonelective Contribution applies to Division A Employees. A Fixed Nonelective Contribution equal to 5% of Plan Year Compensation applies to Division B Employees).*]

Related and Participating Employers *(choose (e) if applicable)*

(e) **[X]** If any Related and Participating Employers (or in the case of a Multiple Employer Plan, Participating Employers regardless of whether they are Related Employers) contribute Nonelective Contributions to the Plan, the contribution formula(s) *(select one of (1) or (2))*:

(1) **[X] All the same.** Is (are) the same as for the Signatory Employer under this Election 27.

(2) **[ ] At least one different.** Is (are) as follows: __. [*Note: Unless the Plan is a Multiple Employer Plan, the Employer should not elect 27(e) unless there are Related Employers which are also Participating Employers. See Section 1.24(D). The Employer electing 27(e) also must complete Election 28(h) as to the allocation methods which apply to the Participating Employers.*]

28. <u>NONELECTIVE AND MONEY PURCHASE PENSION PLAN CONTRIBUTION ALLOCATION</u> **(3.04(B))**. The Plan Administrator, subject to Section 3.06, will allocate to each Participant any Nonelective Contribution (excluding QNECs, but including Prevailing Wage Contributions and Money Purchase Plan Contributions) under the following contribution allocation formula *(select one or more of (a) through (g))*:

(a) **[ ] Uniform allocation.** *(select one of (1) or (2))*

(1) **[ ] Percentage.** As a uniform percentage of Participant Compensation (Pro rata).

(2) **[ ] Dollar amount.** As a uniform dollar amount, without regard to Compensation.

(b) **[ ] Permitted disparity.** In accordance with the permitted disparity allocation provisions of Section 3.04(B)(2), under which the following permitted disparity formula and definition of "Excess Compensation" apply :

Formula *(select one of (1), (2), or (3))*:

(1) **[ ] Two-tiered.**

(2) **[ ] Four-tiered.**

(3) **[ ] Two-tiered**, except that the four-tiered formula will apply in any Plan Year for which the Plan is top-heavy.

Excess Compensation. For purposes of Section 3.04(B)(2), "Excess Compensation" means Compensation in excess of the integration level provided below *(select one of (4) or (5))*:

(4) **[ ] Percentage amount.** __% *(not exceeding 100%)* of the Taxable Wage Base in effect on the first day of the Plan Year, rounded to the next highest $__*(not exceeding the Taxable Wage Base)*.

(5) **[ ] Dollar amount.** The following amount: $__*(not exceeding the Taxable Wage Base in effect on the first day of the Plan Year)*.

(c) **[ ] Incorporation of contribution formula.** The Plan Administrator will allocate any Fixed Nonelective Contribution under Elections 27(b)(1) or 27(b)(2), or any Prevailing Wage Contribution under Election 27(c), in accordance with the contribution formula the Employer adopts under those Elections.

(d) **[ ] Classifications of Participants.** [*This is not a safe harbor allocation method. Do not elect 28(d) if this is a Money Purchase Pension Plan*] In accordance with the classifications allocation provisions of Section 3.04(B)(3).

Description of the classifications. The classifications are *(select one of (1), (2), or (3))*:

[*Note: Typically, the Employer would elect 28(d) where it intends to satisfy nondiscrimination requirements using "cross-testing" under Treas. Reg. §1.401(a)(4)-8. However, choosing this election does not necessarily require application of cross-testing and the Plan may be able to satisfy nondiscrimination as to its classification-based allocations by testing allocation rates.*]

(1) **[ ] Each in own classification.** Each Participant constitutes a separate classification.

(2) **[ ] NHCEs/HCEs.** Nonhighly Compensated Employee/Participants and Highly Compensated Employee/Participants.

(3) **[ ] Describe the classifications: __**

[*Note: The Group Allocation Limitations of Section 3.14 apply to allocations and elections under this Election 28(d).*]

Allocation method within each classification. Allocate the Nonelective Contribution within each classification as follows *(select one of (4) or (5); skip if 28(d)(1) is elected)*:

(1) **[ ] Pro rata.** As a uniform percentage of Compensation of each Participant within the classification.

(2) **[ ] Flat dollar.** The same dollar amount to each Participant within the classification.

(e) **[ ] Age-based.** [*This is not a safe harbor allocation method.*] In accordance with the age-based allocation provisions of Section 3.04(B)(5). The Plan Administrator will use the Actuarial Factors based on the following assumptions:

Interest rate. *(Select one of (1), (2), or (3))*:

(1) **[ ] 7.5%** (2) **[ ] 8.0%** (3) **[ ] 8.5%**

Mortality table. *(Select one of (4) or (5))*:

(4) **[ ] UP-1984.** See Appendix C.

(5) **[ ] Alternative: __***(Specify 1983 GAM, 1983 IAM, 1971 GAM or 1971 IAM and attach applicable tables using such mortality table and the specified interest rate as replacement Appendix C.)*

(f) **[ ] Uniform points.** In accordance with the uniform points allocation provisions of Section 3.04(B)(6). Under the uniform points allocation formula, a Participant receives *(select one or more of (1) and (2); choose (3) if applicable)* :

(1) **[ ] Years of Service. __**point(s) for each Year of Service. The maximum number of Years of Service counted for points is **____**.

"Year of Service" under this Election *28*(f) means *(select one of a. or b)*:

a. **[ ] Eligibility.** Years of Service for eligibility in Elect ion 16.

b. **[ ] Vesting.** Years of Service for vesting in Elections 42 and 43.

[*Note: A Year of Service must satisfy Treas. Reg. §1.401(a)(4)-11(d)(3) for the uniform points allocation to qualify as a safe harbor allocation under Treas. Reg. §1.401(a)(4)-2(b)(3).*]

(2) **[ ] Age. __**point(s) for each year of age attained during the Plan Year.

Compensation *(choose (3) if applicable)*

(3) **[ ] __**point(s) for each $__*(not to exceed $200)* increment of Plan Year Compensation.

(g) **[X] Describe:** The Contribution (known as Enhanced Retirement Contribution) will equal 3% of an Eligible Employee's Compensation. *(The Employer may only describe the nonelective allocation formula from the elections available in this Election 28, and/or a combination thereof, as to a Participant group or contribution type (e.g., Participants in the Employer's Chicago office will receive a uniform percentage of Participant Compensation; contributions to all other Participants will be allocated in accordance with the classifications allocation provisions of Section 3.04(B)(3)). The Group Allocation Limitations of Section 3.14 apply to allocations and elections under this Election 28(g).)*

Optional Provisions *(choose one or more of (h) or (i) if applicable)*

(h) **[X] Related and Participating Employers.** If any Related and Participating Employers (or in the case of a Multiple Employer Plan, Participating Employers regardless of whether they are Related Employers) contribute Nonelective Contributions to the Plan, the Plan Administrator will allocate the Nonelective Contributions made by the Participating Employer(s) under Election *27*(e):

Allocation Method. *(select one of (1) or (2))*:

(1) **[X] All the same.** Using the same allocation method as applies to the Signatory Employer under this Election 28.

(2) **[ ] At least one different.** Under the following allocation method(s): __.

Allocation sharing. The Nonelective Contributions will be allocated to all Participants regardless of which Employer directly employs them and regardless of whether their direct Employer made Nonelective Contributions for the Plan Year unless otherwise elected below or specified in a participation agreement. *(choose (3) if applicable):*

(3) **[ ] Employer by Employer.** The Plan Administrator will allocate the Nonelective Contributions made by the Signatory Employer and by any Participating Employer only to the Participants directly employed by the contributing Employer .

[*Note: Unless the Plan is a Multiple Employer Plan, the Employer should not elect 28(h) unless there are Related Employers which are also Participating Employers. See Section 1.24(D) and Election 27(e). Election 28(h)(3) does not apply to Safe Harbor Nonelective Contributions.*]

(i) **[ ] Allocation computation period.** Allocations will be computed and allocated on an annual basis unless otherwise specified below *(select one of (1) through (4); selecting this option means that the plan is not a design -based safe harbor for nondiscrimination purposes)*:

(1) **[ ] Each payroll period**.

(2) **[ ] Each month.**

(3) **[ ] Each Plan Year quarter.**

(4) **[ ] Describe: __**

29. QNEC (PLAN-DESIGNATED) **(3.04(C)(1))**. The following provisions apply regarding Plan-Designated QNECs *(select one of (a) or (b). 401(k) Plans)*:

(a) **[X] Not applicable.** There are no Plan-Designated QNECs *(skip to Election 30)*.

(b) **[ ] Applies.** There are Plan-Designated QNECs to which the following provisions apply:

Nonelective Contributions affected. The following Nonelective Contributions (as allocated to the designated allocation group under Election 29(b)(2)) are Plan-Designated QNECs *(select one of (1) or (2))*:

(1) **[ ] All.** All Nonelective Contributions.

(2) **[ ] Designated.** Only the following Nonelective Contributions under Election 27: __.

Allocation Group. Subject to Section 3.06, allocate the Plan-Designated QNEC *(select one of (3) or (4))*:

(3) **[ ] NHCEs only.** Only to NHCEs under the method elected in Election 29(b)(5), (6), (7) or (8).

(4) **[ ] All Participants.** To all Participants under the method elected in Election 29(b)(5), (6), (7) or (8).

Allocation Method. The Plan Administrator will allocate a Plan-Designated QNEC using the following method (*select one of (5) through (8))*:

(5) **[ ] Pro rata.**

(6) **[ ] Flat dollar.**

(7) **[ ] Reverse.** See Section 3.04(C)(3).

(8) **[ ] Classification allocation method.** See Section 3.04(C)(6). *[Note: The Group Allocation Limitations of Section 3.14 apply to allocations and elections under this Election 28(d).]*

[*Note: See Section 4.10(D) as to targeting limitations applicable to QNEC nondiscrimination testing.*]

30. SAFE HARBOR 401(k) PLAN (SAFE HARBOR CONTRIBUTIONS/ADDITIONAL MAT CHING CONTRIBUTIONS) **(3.05)**. The Employer under Election 6(e) will (or in the case of the Safe Harbor Nonelective Contribution may) contribute the following Safe Harbor Contributions described in Section 3.05(E) and will or may contribute Additional Matching Contributions described in Section 3.05(F) *(select one of (a) through (e))*:

(a) **[ ] Safe Harbor Nonelective Contribution (including QACA).** The Safe Harbor Nonelective Contribution equals __% of a Participant's Compensation [*Note: The amount in the blank must be at least 3%. The Safe Harbor Nonelective Contribution applies toward (offsets) most other Employer Nonelective Contributions. See Section 3.05(E)(12).*]

(b) **[ ] Safe Harbor Nonelective Contribution (including QACA)/delayed year-by-year election (maybe and supplemental notices).** In connection with the Employer's provision of the maybe notice under Section 3.05(I)(1), the Employer elects into safe harbor status by giving the supplemental notice and by making this Election 30(b) to provide for a Safe Harbor Nonelective Contribution equal to __% *(specify amount at least equal to 3%)* of a Participant's Compensation. This Election 30(b) and safe harbor status applies for the Plan Year ending: __*(specify Plan Year end)*, which is the Plan Year to which the Employer's maybe and supplemental notices apply.

[*Note: An Employer distributing the maybe notice can use election 30(b) without completing the year. Doing so requires the Plan to perform Current Year Testing unless the Employer decides to elect safe harbor status. If the Employer wishes to elect safe harbor status for a single year, the Employer must amend the Plan to enter the Plan Year end above.*]

(c) **[ ] Basic Matching Contribution.** A Matching Contribution equal to 100% of each Participant's Elective Deferrals not exceeding 3% of the Participant's Compensation, plus 50% of each Participant's Elective Deferrals in excess of 3% but not in excess of 5% of the Participant's Compensation. See Sections 1.35(E) and 3.05(E)(4).

(d) **[ ] QACA Basic Matching Contribution.** A Matching Contribution equal to 100% of a Participant's Elective Deferrals not exceeding 1% of the Participant's Compensation, plus 50% of each Participant's Elective Deferrals in excess of 1% but not in excess of 6% of the Participant's Compensation. [*Note: This election is available only if the Employer has elected the QACA automatic deferrals provisions under Election 21.*]

(e) **[ ] Enhanced Matching Contribution (including QACA).** See Sections 1.35(F) and 3.05(E)(6). *(Select one of (1) or (2).)*:

(1) **[ ] Uniform percentage.** A Matching Contribution equal to __% of each Participant's Elective Deferrals but not as to Elective Deferrals exceeding __% of the Participant's Compensation.

(2) **[ ] Tiered formula.** A Matching Contribution equal to the specified matching rate for the corresponding level of each Participant's Elective Deferral percentage. A Participant's Elective Deferral percentage is equal to the Participant's Elective Deferrals divided by his/her Compensation.

Elective Deferral Percentage	Matching Rate
__%	__%
__%	__%
__%	__%

[*Note: The matching rate may not increase as the Elective Deferral percentage increases and the Enhanced Matching formula otherwise must satisfy the requirements of Code §§401(k)(12)(B)(ii) and (iii) (taking into account Code §401(k)(13)(D)(ii) in the case of a QACA). If the Employer elects to satisfy the ACP safe harbor under Election 38(b)(1), the Employer also must limit Elective Deferrals taken into account for the Enhanced Matching Contribution to a maximum of 6% of Plan Year Compensation.*]

Time period for safe harbor matching contribution. For purposes of Election 30(c), (d), or (e), "Compensation" and "Elective Deferrals" mean Compensation and Elective Deferrals determined: *(select one of (f) through (j); skip if 30(a) or 30(b) elected)*

(f) **[ ]** Each payroll period

(g) **[ ]** Each month

(h) **[ ]** Each Plan Year quarter

(i) **[ ]** Each Plan Year

(j) **[ ]** Other *(Specify uniform, nondiscretionary time period)*: __

Participants who will receive Safe Harbor Contributions. The allocation of Safe Harbor Contributions *(select one of (k) or (l))*:

(k) **[ ] Applies to all Participants.** Applies to all Participants except as may be limited under Election 30(m).

(l) **[ ] Applies to the following Participants:** *(select one of (1) or (2); and/or choose (3) if applicable)*

(1) **[ ] NHCEs only.** Is limited to NHCE Participants only and may be limited further under Election 30(m). No HCE will receive a Safe Harbor Contribution allocation, unless the Employer exercises its discretion under Section 3.05(E)(9)(a).

(2) **[ ] NHCEs and designated HCEs.** Is limited to NHCE Participants and to the following HCE Participants and may be limited further under Election 30(m): __.

[*Note: Any HCE allocation group the Employer describes under Election 30 (l)(2) must be definitely determinable. (e.g., Division "A" HCEs OR HCEs who own more than 5% of the Employer without regard to attribution rules)* .]

(3) **[ ] Applies to all Participants except Collective Bargaining Employees.** Notwithstanding Elections 30(l)(1) or (2), the Safe Harbor Contributions are not allocated to Collective Bargaining (union) Employees and may be further limited under Election 30(m).

Optional Provisions *(choose one or more of (m) or (n) if applicable)*

(m) **[ ] Earl y Elective Deferrals/delay of Safe Harbor Contribution.** The Employer may elect this Election 30(m) only if the Employer in Election 14 elects eligibility requirements for Elective Deferrals of less than age 21 and/or one Year of Service but elects greater age and/or service requirements for Safe Harbor Matching or for Safe Harbor Nonelective Contributions. The Employer under this Election 30(m) applies the rules of Section 3.05(D) to limit the allocation of any Safe Harbor Contribution under Election 30 for a Plan Year to those Participants who the Plan Administrator in applying the OEE rule described in Section 4.06(C), treats as benefiting in the disaggregated plan covering the Includible Employees.

(n) **[ ] Another plan.** The Employer will make the Safe Harbor Contribution to the following plan: __.

Additional Matching Contributions. See Sections 1.35(G) and 3.05(F). *(select one of (o) or (p))*:

(o) **[ ] No Additional Matching Contributions.** The Employer will not make any Additional Matching Contributions to its safe harbor Plan.

(p) **[ ] Additional Matching Contributions.** The Employer will or may make the following Additional Matching Contributions to its safe harbor Plan. *(select one or more of (1) through (3))*:

(1) **[ ] Fixed Additional Matching Contribution.** The following Fixed Additional Matching Contribution *(select one or more of a. and b.)*:

a. **[ ] Uniform percentage.** A Matching Contribution equal to __% of each Participant's Elective Deferrals but not as to Elective Deferrals exceeding __% of the Participant's Compensation.

b. **[ ] Tiered formula.** A Matching Contribution equal to the specified matching rate for the corresponding level of each Participant's Elective Deferral percentage. A Participant's Elective Deferral percentage is equal to the Participant's Elective Deferrals divided by his/her Compensation.

Elective Deferral Percentage	Matching Rate
__%	__%
__%	__%
__%	__%

Time period. For purposes of this Election 30(p)(1), "Compensation" and "Elective Deferrals" mean Compensation and Elective Deferrals determined for: *(select one of c. through g.)*

c. **[ ]** Each payroll period

d. **[ ]** Each month

e. **[ ]** Each Plan Year quarter

f. **[ ]** Each Plan Year

g. **[ ]** Other *(Specify uniform, nondiscretionary time period)*: __

(2) **[ ] Discretionary Additional Matching Contribution.** The Employer may make a Discretionary Additional Matching Contribution. If the Employer makes a Discretionary Matching Contribution, the Discretionary Matching Contribution will not apply as to Elective Deferrals exceeding __% of the Participant's Compensation *(complete the blank if applicable or leave blank).*

Time period. For purposes of this Election 30(p)(2), "Compensation" and "Elective Deferrals" mean Compensation and Elective Deferrals determined for: *(select one of a. through e.)*

a. **[ ]** Each payroll period

b. **[ ]** Each month

c. **[ ]** Each Plan Year quarter

d. **[ ]** Each Plan Year

e. **[ ]** Other *(Specify uniform, nondiscretionary time period)*: __

[*Note: If the Employer elects to satisfy the ACP safe harbor under Election 38(b)(1) then as to any and all Matching Contributions, including Fixed Additional Matching Contributions and Discretionary Additional Matching Contributions: (i) the matching rate may not increase as the Elective Deferral percentage increases; (ii) no HCE may be entitled to a greater rate of match than any NHCE;*
(iii) the Employer must limit Elective Deferrals taken into account for the Additional Matching Contributions to a maximum of 6% of Plan Year Compensation; (iv) the Plan must apply all Matching Contributions to Catch-Up Deferrals; and (v) in the case of a Discretionary Additional Matching Contribution, the contribution amount may not exceed 4% of the Participant's Plan Year Compensation.]

(3) **[ ] Additional non-safe harbor match.** The Plan will not use the ACP Safe Harbor. Additional Matching Contributions will be made as follows: __ [*Note: The Employer in Election 30(p)(3) may specify any matching contribution formula or formulas which could be specified in Election 24 and may specify different formulas for different groups of Participants (i.e., The Employer will make a Discretionary Matching Contribution for Participants in its Chicago office, and a Fixed Matching Contribution of 33% of Elective Deferrals up to 12% of Compensation for all other Participants). If the Employer elects 30(p)(3), the Plan will not qualify for the ACP Safe Harbor and the Employer should elect, at Election 3 7(b)(2), the ACP testing method. The Group Allocation Limitations of Section 3.14 apply to allocations and elections under this Election 30(p)(3).]*

Multiple Safe Harbor Contributions in disaggregated Plan *(Choose (q) if applicable)*

(q) **[ ]** The Employer elects to make different Safe Harbor Contributions and/or Additional Matching Contributions to disaggregated parts of its Plan under Treas. Reg. §1.401(k)-1(b)(4) as follows: __ *[Note: The Employer in Election 30(q) may specify any matching contribution formula or formulas which could be specified in Election 24 and may specify different formulas for different groups of Participants (i.e., The Employer will make a Fixed Matching Contribution of 33% of Elective Deferrals up to 12% of Compensation for Collective Bargaining Employees, and a Discretionary Additional Matching Contribution as described in Election 30(p)(2) for all other Participants). Allocation formulas, such as a fixed match based on years of service, which permit an HCE in a disaggregated plan to receive a higher rate of match than any NHCE in that plan at the same level of elective deferrals will not satisfy Treas. Reg. §1.401(m)-3(d)(4) and will not qualify for the ACP Safe Harbor. The Group Allocation Limitations of Section 3.14 apply to allocations under this Election 30(q).]*

31. ALLOCATION CONDITIONS **(3.06(B)/(C))**. The Plan does not apply any allocation conditions to: (i) Employee Contributions; (ii) Rollover Contributions; (iii) Designated IRA Contributions; or (iv) Prevailing Wage Contributions. In addition, for 401(k) plans, the Plan does not apply any allocation conditions to: (i) Elective Deferrals; (ii) Safe Harbor Contributions; (iii) Additional Matching Contributions which will satisfy the ACP test safe harbor; or (iv) SIMPLE Contributions. To receive an allocation of Matching Contributions,
Nonelective Contributions or Participant forfeitures, a Participant must satisfy the following allocation condition(s) *(select one of (a) or (b))*:

(a) **[X] No conditions.** No allocation conditions apply to Matching Contributions, to Nonelective Contributions or to forfeitures *(skip to Election 33)*.

(b) **[ ] Conditions.** The following allocation conditions apply to the designated Contribution Type and/or forfeitures *(select one or more of (1) through (7). Select Contribution Type as applicable. If more than one allocation condition elected, the Participant must satisfy each condition to receive the allocation.)* :

[*Note for 401(k) plans: For this Election 31, except as the Employer describes otherwise in Election 31(b)(7) or as provided in the Plan regarding Operational Matches, Operational QMACs, and Operational QNECs, Matching includes all Matching Contributions and Nonelective includes all Nonelective Contributions to which allocation conditions may apply. The Employer under Election 31(b)(7) may not impose an Hour of Service condition exceeding 1,000 Hours of Service in a Plan Year. Elections (4) or (6) for nonelective contributions will subject the plan to the general nondiscrimination test.*]

			(1) Matching, Nonelective and Forfeitures		**(2) Matching**	**(3) Nonelective**	**(4) Forfeitures**
(1)	[ ]	**None.**	**N/A** (See Election 31(a))		[ ]	[ ]	[ ]
(2)	[ ]	**501 HOS/terminees** (91 consecutive days if Elapsed Time). See Section 3.06(B)(1)(b).	[ ]	**OR**	[ ]	[ ]	[ ]
(3)	[ ]	**Last day of the Plan Year.**	[ ]	**OR**	[ ]	[ ]	[ ]
(4)	[ ]	**Last day of the Election 31(c) time period.**	[ ]	**OR**	[ ]	[ ]	[ ]
(5)	[ ]	**1,000 HOS in the Plan Year** (182 consecutive days in Plan Year if Elapsed Time).	[ ]	**OR**	[ ]	[ ]	[ ]
(6)	[ ]	**__(specify) HOS within the Election 31(c) time period,** (but not exceeding 1,000 HOS in a Plan Year).	[ ]	**OR**	[ ]	[ ]	[ ]

(7) [ ] **Describe conditions: __________________**
(e.g., Last day of the Plan Year as to Nonelective Contributions for Participating Employer "A" Participants. No allocation conditions for Participating Employer "B" Participants.)

Time period *(choose (c) if applicable; skip if 31(b)(4), (b)(6), or (b)(7) not selected)*

(c) **[ ]** Under Section 3.06(C), apply Elections 31(b)(4), (b)(6), or (b)(7) to the specified contributions/forfeitures based on each *(Choose one or more of (1) through (5). Choose Contribution Type as applicable.)*:

(1)	[ ]	**Plan Year.**	[ ]	**OR**	[ ]	[ ]	[ ]
(2)	[ ]	**Plan Year quarter.**	[ ]	**OR**	[ ]	[ ]	[ ]
(3)	[ ]	**Calendar month.**	[ ]	**OR**	[ ]	[ ]	[ ]
(4)	[ ]	**Payroll period.**	[ ]	**OR**	[ ]	[ ]	[ ]

(5) [ ] **Describe time period: ________________**

[Note: If the Employer elects 31(b)(4) or (b)(6), the Employer must choose (c). If the Employer elects 31(b)(7), choose (c) if applicable.]

32. ALLOCATION CONDITIONS - APPLICATION/WAIVER/SUSPENSION **(3.06(D)/(F))**. Under Section 3.06(D), in the event of Severance from Employment as described below, apply or do not apply Election 31(b) allocation conditions to the specified contributions/forfeitures as follows:

Application/Waiver *(Select one of (a) or (b))*

(a) **[ ] Total waiver or application.** If a Participant incurs a Severance from Employment on account of or following death, Disability or attainment of Normal Retirement Age or Early Retirement Age *(select one of (1) or (2))*:

(1) **[ ] Allocation conditions are waived.** Do not apply elected allocation conditions to Matching Contributions, to Nonelective Contributions or to forfeitures.

(2) **[ ] Allocation conditions apply.** Apply elected allocation conditions to Matching Contributions, to Nonelective Contributions and to forfeitures.

(b) **[ ] Application/waiver as to Contribution Types events.** If a Participant incurs a Severance from Employment, apply allocation conditions *except* such conditions are waived if Severance from Employment is on account of or following death, Disability or attainment of Normal Retirement Age or Early Retirement Age as specified, and as applied to the specified Contribution Types/forfeitures *(select one or more of (1) through (4). Select Contribution Type as applicable.)*:

[*Note for 401(k) Plans: For this Election 32(b), except as the Employer describes otherwise in Election 31(b)(7) or as provided in in the Plan regarding Operational Matches, Operational QMACs, or Operational QNECs, Matching includes all Matching Contributions and Nonelective includes all Nonelective Contributions to which allocation conditions may apply.*]

			(1) Matching, Nonelective and Forfeitures		(2) Matching	(3) Nonelective	(4) Forfeitures
(1)	[ ]	**Death.**	[ ]	OR	[ ]	[ ]	[ ]
(2)	[ ]	**Disability.**	[ ]	OR	[ ]	[ ]	[ ]
(3)	[ ]	**Normal Retirement Age.**	[ ]	OR	[ ]	[ ]	[ ]
(4)	[ ]	**Early Retirement Age.**	[ ]	OR	[ ]	[ ]	[ ]

Suspension. The suspension of allocation conditions of Section 3.06(F) *(select one of (c) or (d))*:

(c) **[ ] Suspension applies.**

For 401(k) plans, applies as follows *(select one of (1), (2), or (3))*:

(1) **[ ] Both.** Applies both to Nonelective Contributions and to Matching Contributions.

(2) **[ ] Nonelective.** Applies only to Nonelective Contributions.

(3) **[ ] Match.** Applies only to Matching Contributions.

(d) **[ ] Suspension does not apply.**

33. FORFEITURE ALLOCATION METHOD **(3.07)**. *(select one of (a) or (b).)*:

[*Note: Even if the Employer elects immediate vesting, the Employer should complete Election 33. See Section 7.07. Election can be omitted if the plan is frozen or the plan is a 401(k) plan with no employer contributions*]

(a) **[ ] Safe harbor/top-heavy exempt.** Apply all forfeitures to Safe Harbor Contributions and Plan expenses in accordance with Section 3.07(A)(4). *(may only be selected with 401(k) plans)*

(b) **[X] Apply to Contributions.** The Plan Administrator will allocate a Participant forfeiture as follows: *(select one or more of (1) through (7). Select Contribution Type as applicable)*:

			(1) All Forfeitures		(2) Nonelective Forfeitures	(3) Matching Forfeitures
(1)	[ ]	**All.** Use as described in (2) through (6). *((1) may not be selected with (2) through (6))*	[ ]	OR	[ ]	[ ]
(2)	[ ]	**Additional Nonelective.** Added to Nonelective Contributions and allocated in the same manner.	[ ]	OR	[ ]	[ ]
(3)	[ ]	**Additional Match.** Added to Matching Contributions and allocated in the same manner.	[ ]	OR	[ ]	[ ]
(4)	[X]	**Reduce Nonelective.** Apply to reduce Nonelective Contribution.	[X]	OR	[ ]	[ ]

(5)	[X]	**Reduce Match.** Apply to reduce Matching Contribution.	[X]	OR	[ ]	[ ]
(6)	[X]	**Plan expenses.** Pay reasonable Plan expenses. (See Section 7.04(C).) *(must be selected with another election*)	[X]	OR	[ ]	[ ]

(7) [ ] **Describe:** ______________________
(must satisfy the definitely determinable requirement under Treas. Reg. §1.401 -1(b) and be applied in a uniform and nondiscriminatory manner; e.g., Forfeitures attributable to transferred balances from Plan X are allocated only to former Plan X participants.)

34. IN-PLAN ROTH ROLLOVER CONTRIBUTION **(3.08(E))**. The following provisions apply regarding In-Plan Roth Rollover Contributions *(Choose one of (a) or (b); also see Appendix B, Election (g)(2); leave blank if Election 6(b)(1) is not selected.)* :

(a) **[ ] Not Applicable.** The Plan does not permit In-Plan Roth Rollover Contributions *(skip to Election 35)*.

(b) **[X] Applies.** The Plan permits In-Plan Roth Rollover Contributions with regard to the following amounts and subject to the following limitations. *(select one or more of (1) and (2))*

(1) **[X] IRR.** This provision is effective with regard to IRRs (see Section 1.55(A)(1)) the later of September 28, 2010, or the Plan or Restatement Effective Date unless other date entered below.
a. **[ ]** or __ *(enter later effective date if applicable*)

(2) **[ ] IRT.** This provision is effective with regard to IRTs (see Section 1.55(A)(2)) the later of January 1, 2013, or the Plan or Restatement Effective Date unless other date entered below.
a. **[ ]** or __ *(enter later effective date if applicable*)

Limitations. The following restrictions apply to In-Plan Roth Rollovers (*choose one or more of (c) through (h) if applicable*)

			(1) IRR	**(2) IRT**
(c)	[ ]	**In-Plan Roth Rollovers limited to In-Service only.** Only Participants who are Employees may elect to make an In-Plan Roth Rollover Contribution.	[ ]	[ ]
(d)	[ ]	**Vested In-Plan Roth Rollovers.** In-Plan Roth Rollovers may only be made from accounts which are fully Vested.	[ ]	[ ]
(e)	[X]	**No transfer of loans.** Loans may not be distributed as part of an In-Plan Roth Rollover Contribution.	[X]	[ ]
(f)	[ ]	**Minimum amount.** The minimum amount that may be rolled over is __*(may not exceed $1,000)*.	[ ]	[ ]
(g)	[ ]	**Number of Transfers.** No more than __transfer(s) may be made during a Plan Year.	[ ]	[ ]
(h)	[ ]	**Describe transfer provisions.** Transfers may be made subject to the following provisions:	[ ]	[ ]

__(*must be definitely determinable and not subject to Employer or Administrator discretion; specify different provisions for IRR and IRT if desired*).

Source of In-Plan Roth Rollover Contributions *(Select one or more of (i) or (j))*:			**1.**	**2.**
(i)	[X]	**All Sources. (**select one or both of columns (1) (2))	[X]	[ ]
(j)	[ ]	**Limited Sources.** The Plan permits an In-Plan Roth Rollover only from the following qualifying sources (*select one or more of (1) through (7))*:		

			(1) IRR	**(2) IRT**
(1)	[ ]	**Elective Deferrals**	[ ]	[ ]
(2)	[ ]	**Matching Contributions** (including any Safe Harbor Matching Contributions and Additional Matching Contributions)	[ ]	[ ]
(3)	[ ]	**Nonelective Contributions**	[ ]	[ ]
(4)	[ ]	**QNECS** (including any Safe Harbor Nonelective Contributions)	[ ]	[ ]
(5)	[ ]	**Rollovers**	[ ]	[ ]
(6)	[ ]	**Transfers**	[ ]	[ ]

(7) [ ] **Other:** __(*specify account(s) and conditions in a manner that is definitely determinable and not subject to Employer discretion; specify different sources for IRR and IRT if desired*)

35. EMPLOYEE (AFTER-TAX) CONTRIBUTIONS **(3.09)**. The following additional elections apply to Employee Contributions under Election 6(f).

After-tax contribution limits. *(choose (a) and (b) as applicable.)*:

(a) **[X] Maximum amount.** A Participant's Employee Contributions may not exceed: *(complete (1) and (2))*

(1) **[X] NHCE.** 100% for the portion of the Plan Year during which the Employee is eligible to participate *(specify dollar amount and/or percentage of Compensation) for NHCEs*

(2) **[X] HCE.** 100% for the portion of the Plan Year during which the Employee is eligible to participate *(specify dollar amount and/or percentage of Compensation) for HCEs. The limit for HCEs cannot exceed the limit for NHCEs)*

(b) **[X] Minimum amount.** A Participant's Employee Contributions may not be less than: 1% *(specify dollar amount (not greater than $10,000) and/or percentage of Compensation (not greater than 10%)).*

Apply Matching Contribution. For each Plan Year, the Employer's Matching Contribution made with regard to Employee Contributions is *(leave blank if there are no Matching Contributions made with regard to Employee Contributions; otherwise, choose one of (c) or (d).)*:

(c) **[X] Same as Elective Deferrals.** Employee Contributions will be treated the same as Elective Deferrals for purposes of calculating the Matching Contributions under Election 24.

(d) **[ ] Discretionary.** See Section 1.35(B). This contribution will be computed as a Flexible Discretionary Match under Section 3.03(A)(2)(b) as though the Employee Contributions were Elective Deferrals.

36. DESIGNATED IRA CONTRIBUTIONS **(3.12)**. Under Election 6(h), a Participant may make Designated IRA Contributions.

Type of IRA contribution. A Participant's Designated IRA Contributions will be *(select one of (a), (b), or (c))*:

(a) **[ ] Traditional.**

(b) **[ ] Roth.**

(c) **[ ] Traditional/Roth.** As the Participant elects at the time of contribution.

Type of Account. A Participant's Designated IRA Contributions will be held in the following form of Account(s) *(select one of (d), (e), or (f))*:

(d) **[ ] IRA.**

(e) **[ ] Individual Retirement Annuity.**

(f) **[ ] IRA/Individual Retirement Annuity.** As the Participant elects at the time of contribution.

ARTICLE IV LIMITATIONS AND TESTING

37. ANNUAL TESTING ELECTIONS **(4.06(B))**. The Employer makes the following Plan specific annual testing elections under Section 4.06(B):

Nondiscrimination testing. *(Select one or more of (a), (b), and (c). Plans other than 401(k) plans should skip except select (a)(4) or (5) if the Plan permits Employee Contributions.)*:

(a) **[X] Traditional 401(k) Plan/ADP/ACP test.** The following testing method(s) apply

[*Note: The Plan may "split test". For Current Year Testing, See Section 4.11(E). For Prior Year Testing, see Section 4.11(H) and, as to the first Plan Year, see Sections 4.10(B)(4)(f)(iv) and 4.10(C)(5)(e)(iv).*]

ADP Test *(Select one of (1) or (2))*

(1) **[X] Current Year Testing.**

(2) **[ ] Prior Year Testing.**

ACP Test *(Select one of (3), (4), or (5))*

(3) **[ ] Not applicable.** The Plan does not permit Matching Contributions or Employee Contributions and the Plan Administrator will not recharacterize Elective Deferrals as Employee Contributions for testing.

(4) **[X] Current Year Testing.**

(5) **[ ] Prior Year Testing.**

(b) **[ ] Safe Harbor Plan/No testing or ACP test only.** *(select one of (1) or (2))*:

(1) **[ ] No testing.** ADP test safe harbor applies and if applicable, ACP test safe harbor applies. If the Plan permits Employee Contributions, current year ACP testing will apply to Employee Contributions unless otherwise elected below *(Choose a. if applicable.)*.

a. **[ ] Prior Year Testing applies to Employee Contributions.**

(2) **[ ] ACP test only.** ADP test safe harbor applies, but Plan will perform ACP test as follows *(select one of a. or b.)*:

a. **[ ] Current Year Testing.**

b. **[ ] Prior Year Testing.**

(c) **[ ] Maybe notice (Election 30(b)).** See Section 3.05(I).

[*Note: When maintaining a traditional 40 l(k) plan, select (a); when maintaining a safe harbor 401(k) plan, select (b). Skip if SIMPLE 401(k) plan. The Employer may make elections under both the Traditional 401(k) Plan an d Safe Harbor Plan elections, in order to accommodate a Plan that applies both testing elections (e.g., Safe Harbor Includible Employees group and tested Otherwise Excludible Employees group). In the absence of an election regarding ADP or ACP tested contributions, Current Year Testing applies.*]

HCE determination. The Top-Paid Group election and the calendar year data election are not used unless elected below *(choose one or more of (d) and (e) if applicable)*:

(d) **[ ] Top-paid group election applies.**

(e) **[ ] Calendar year data election (fiscal year Plan only) applies.**

ARTICLE V VESTING

38. NORMAL RETIREMENT AGE **(5.01)**. A Participant attains Normal Retirement Age under the Plan on the following date *(select one of (a) or (b))*:

(a) **[X] Specific age.** The date the Participant attains age 65 . [*Note: The age may not exceed age 65.*]

(b) **[ ] Age/participation.** The later of the date the Participant attains age __or the __anniversary of the first day of the Plan Year in which the Participant commenced participation in the Plan. [*Note: The age may not exceed age 65 and the anniversary may not exceed the 5th.*]

[*Note for Money Purchase Pension Plans: The Normal Retirement Age specified must generally be at least age 62; however, a lower age, but not lower than age 55, may be specified if that age is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed. No reliance will be afforded on the Opinion Letter issued to the Plan that (if the Plan is a Money Purchase Pension Plan) an age less than 62 is reasonably representative of the typical retirement age for the industry in which the participants work.*]

39. EARLY RETIREMENT AGE **(5.01)**. *(select one of (a) or (b))*:

(a) **[X] Not applicable.** The Plan does not provide for an Early Retirement Age.

(b) **[ ] Earl y Retirement Age.** Early Retirement Age is the later of: (i) the date a Participant attains age __; (ii) the date a Participant reaches his/her __anniversary of the first day of the Plan Year in which the Participant commenced participation in the Plan; or (iii) the date a Participant completes __Years of Service.

[*Note: The Employer should leave blank any of clauses (i), (ii), and (iii) which are not applicable.*] "Years of Service" under this Election 39

means *(select one of (1) or (2); skip if (b)(iii) NOT elected)*:

(1) **[ ] Eligibility.** Years of Service for eligibility in Election 16.

(2) **[ ] Vesting.** Years of Service for vesting in Elections 42 and 43.

[*Note: Election of an Early Retirement Age does not affect the time at which a Participant may receive a Plan distribution. However, a Participant becomes 100% vested at Early Retirement Age.*]

40. ACCELERATION ON DEATH OR DISABILITY **(5.02)**. Under Section 5.02, if a Participant incurs a Severance from Employment as a result of death or Disability *(select one of (a), (b), or (c))*:

(a) **[X] Applies.** Apply 100% vesting.

(b) **[ ] Not applicable.** Do not apply 100% vesting. The Participant's vesting is in accordance with the applicable Plan vesting schedule.

(c) **[ ] Limited application.** Apply 100% vesting, but only if a Participant incurs a Severance from Employment as a result of *(select one of (1) or (2))*:

(1) **[ ] Death.**

(2) **[ ] Disability.**

41. VESTING SCHEDULE **(5.03)**. A Participant has a 100% Vested interest at all times in his/her Accounts attributable to: (i) Elective Deferrals; (ii) Employee Contributions; (iii) QNECs; (iv) QMACs; (v) Safe Harbor Contributions (other than QACA Safe Harbor Contributions); (vi) SIMPLE Contributions; (vii) Rollover Contributions; (viii) Prevailing Wage Contributions; (ix) DECs; and (x) Designated IRA Contributions. The following vesting schedule applies to Regular Matching Contributions, to Additional Matching Contributions (irrespective of ACP testing status), to Nonelective Contributions (other than Prevailing Wage Contributions) and to QACA Safe Harbor Contributions. *(select (a) or (b))*:

(a) **[ ] Immediate vesting.** 100% Vested at all times in all Accounts.

[*Note: Unless all Contribution Types are 100% Vested, the Employer should not elect 41(a). If the Employer elects immediate vesting under 41(a), the Employer should not complete the balance of Election 41 or Elections 42 and 43 (except as noted therein). For 401(k) plans: (i) The Employer must elect 41(a) if the eligibility Service condition under Election 14 as to all Contribution Types (except Elective Deferrals and Safe Harbor Contributions) exceeds one Year of Service or more than 12 months; (ii) The Employer must elect 41(b)(1) as to any Contribution Type where the eligibility service condition exceeds one Year of Service or more than 12 months; and (iii) The Employer should elect 41(b) if any Contribution Type is subject to a vesting schedule. For Money Purchase Pension Plans and Profit Sharing Plans, the Employer must elect 41(a) if the eligibility Service condition exceeds one Year of Service or more than 12 months.*]

(b) **[X] Vesting schedules:** Apply the following vesting schedules *(Select one or more of (1) through (6). Select Contribution Type as applicable.)*:

					(1) All Contributions		(2) Nonelective	(3) Regular Matching	(4) Additional Matching (See Section 3.05(F))	(5) QACA Safe Harbor
(1)	[ ]	**Immediate vesting.**			N/A (See Election 41(a))	**OR**	[ ]	[ ]	[ ]	[ ]
(2)	[ ]	**6-year graded.**			[ ]	**OR**	[ ]	[ ]	[ ]	**N/A**
(3)	[ ]	**3-year cliff.**			[ ]	**OR**	[ ]	[ ]	[ ]	**N/A**
(4)	[X]	**Modified schedule:**			**[X]**	**OR**	[ ]	[ ]	[ ]	**N/A**
		Years of Service	**Vested %**	**Not Less Than**						
		Less than 1	a. 0%	0%						
		1	b. 20%	0%						
		2	c. 40%	20%						
		3	d. 60%	40%						
		4	e. 80%	60%						
		5	f. 100%	80%						
		6 or more	100%							
(5)	[ ]	**2-year cliff.**			[ ]	**OR**	[ ]	[ ]	[ ]	[ ]
(6)	[ ]	**Modified 2-year schedule:**			[ ]	**OR**	[ ]	[ ]	[ ]	[ ]
		Years of Service	**Vested %**							
		Less than 1	a. __							
		1	b. __							
		2	100%							

[*Note: If the Employer does not elect 41(a), the Employer under 41(b) must elect immediate vesting or must elect one of the specified alternative vesting schedules. The modified schedule of Election 41(b)(4) must satisfy Code §411(a)(2)(B).*]

[*Note for 401(k) plans: The Employer must elect either 41(b)(5) or (6) as to QACA Safe Harbor Contributions. If the Employer elects Additional Matching under Election 30(p), the Employer should elect vesting under the Additional Matching column in this Election 41(b). That election applies to the Additional Matching even if the Employer has given the maybe notice but does not give the supple mental notice for any Plan Year and as to such Plan Years, the Plan is not a safe harbor plan and the Matching Contributions are not Additional Matching Contributions.*]

Special vesting provisions *(choose c. if applicable)*

(c) **[X] Describe:** A Participant who experiences a Change in Control as that term is defined in the Retirement Plan for Salaried Employees of Rayonier Inc. shall become 100% vested. Employees hired prior to July 1, 2012 shall become 100% vested if employed after attainment of age 50. The Employer Retirement Contribution is 100% vested. Balances attributable to amounts transferred from the Rayonier Inc. Savings Plan for Non-Bargaining Unit Hourly Employees at Certain Locations shall be 100% vested at all times.

[*Note: The Employer under Election 41(c) may describe special vesting provisions from the elections available under Election 41 and/or a combination thereof as to a: (i) Participant group (e.g., Full vesting applies to Division A Employees OR to Employees hired on/before "x" date. 6-year graded vesting applies to Division B Employees OR to Employees hired after "x" date.); and/or (ii) Contribution Type (e.g., Full vesting applies as to Discretionary Nonelective Contributions. 6 -year graded vesting applies to Fixed Nonelective Contributions). Any special vesting provision must satisfy Code §411(a) and must be nondiscriminatory.*]

42. YEAR OF SERVICE - VESTING **(5.05)**. *(choose (a) and/or (b) if applicable)*

[*Note: If the Employer elects the Elapsed Time Method for vesting the Employer should not complete this Election 42. If the Employer elects immediate vesting, the Employer should not complete Election 42 or Election 43 unless it elects to apply a Year of Service for vesting under any other Adoption Agreement election.*]

(a) **[ ] Year of Service.** An Employee must complete at least __Hours of Service during a Vesting Computation Period to receive credit for a Year of Service under Article V. [*Note: The number may not exceed 1,000. If left blank, the requirement is 1,000 Hours of Service.*]

(b) **[ ] Vesting Computation Period- Anniversary Year.** The Plan measures a Year of Service based on the Plan Year unless this option is elected.

43. EXCLUDED YEARS OF SERVICE - VESTING **(5.05(C))**. *(select (a) or (b))*:

(a) **[ ] None.** None other than as specified in Section 5.05(C)(1).

(b) **[X] Exclusions.** The Plan excludes the following Years of Service for purposes of vesting *(select one or more of (1) through (4))*:

(1) **[ ] Age 18.** Any Year of Service before the Vesting Computation Period during which the Participant attained the age of 18.

(2) **[ ] Prior to Plan establishment.** Any Year of Service during the period the Employer did not maintain this Plan or a predecessor plan.

(3) **[X] Rule of Parity.** Any Year of Service excluded under the rule of parity. See Plan Section 5.06(C).

(4) **[ ] Additional exclusions.** The following Years of Service: __

[*Note: The Employer under Election 43(b)(4) may describe vesting service exclusions provisions available under Election 43 and/or a combination thereof as to a: (i) Participant group (e.g., No exclusions apply to Division A Employees OR to Employees hired on/ before "x" date. The age 18 exclusion applies to Division B Employees OR to Employees hired after "x" date.); or (ii) Contribution Type (e.g., No exclusions apply as to Discretionary Nonelective Contributions. The age 18 exclusion applies to Fixed Nonelective Contributions). Any exclusion specified under Election 43(b)(4) must comply with Code §411(a)(4). Any exclusion must be nondiscriminatory.*]

ARTICLE VI
DISTRIBUTION OF ACCOUNT BALANCE

44. MANDATORY DISTRIBUTION **(6.01(A)(1)/6.08(D))**. The Plan provides or does not provide for Mandatory Distribution of a Participant's Vested Account Balance following Severance from Employment, as follows *(select one of (a) or (b))*:

(a) **[ ] No Mandatory Distribution.** The Plan will not make a Mandatory Distribution following Severance from Employment.

(b) **[X] Mandatory Distribution.** The Plan will make a Mandatory Distribution following Severance from Employment.

Amount limit. As to a Participant who incurs a Severance from Employment and who will receive distribution before attaining the later of age 62 or Normal Retirement Age, the Mandatory Distribution maximum amount is equal to *(select one of (1), (2), or (3))*:

(1) **[ ] $5,000.**

(2) **[X] $1,000.**

(3) **[ ] Specify amount:** $__*(may not exceed $5,000).*

[*Note: This election only applies to the Mandatory Distribution maximum amount. For other Plan provisions subject to a $5,000 limit, see Appendix B, Election (g)(7).*]

Application of Rollovers to amount limit. In determining whether a Participant's Vested Account Balance exceeds the Mandatory Distribution dollar limit in Election 44(b)(1), the Plan will include amounts in the Rollover Contribution Account (if any) unless otherwise elected below *(choose (4) if applicable)*:

(4) **[ ] Disregard Rollover Contribution Account.**

Amount of Mandatory Distribution subject to Automatic Rollover. A Mandatory Distribution to a Participant before attaining the later of age 62 or Normal Retirement Age is subject to Automatic Rollover under Section 6.08(D) *(choose one of (5) or (6) unless the Employer elects under Elections 44(b)(2) to limit Mandatory Distributions to $1,000 (including Rollover Contributions)* :

(5) **[ ] Only if exceeds $1,000.** Only if the amount of the Mandatory Distribution exceeds $1,000, which for this purpose must include any Rollover Contributions Account.

(6) **[ ] Specify lesser amount.** Only if the amount of the Mandatory Distribution is at least: $__*(specify $1,000 or less)*, which for this purpose must include any Rollover Contributions Account.

Required distribution at Normal Retirement Age *(choose (c) if applicable)*

(c) **[ ]** A severed Participant may not elect to delay distribution beyond the later of age 62 or Normal Retirement Age.

45. SEVERANCE DISTRIBUTION TIMING **(6.01)**. Subject to the timing limitations of Section 6.01(A)(1) in the case of a Mandatory Distribution, or in the case of any Distribution Requiring Consent under Section 6.01(A)(2), for which consent is received, the Plan Administrator will instruct the Trustee to distribute a Participant's Vested Account Balance as soon as is administratively practical following the time specified below *(select one or more of (a) through (i))*:

[*Note: If a Participant dies after Severance from Employment but before receiving distribution of all of his/her Account, the elections under this Election 45 no longer apply. See Section 6.01(B) and Election 49.*]

			(1) Mandatory Distribution	**(2) Distribution Requiring Consent**
(a)	**[X]**	**Immediate.** Immediately following Severance from Employment.	**[X]**	**[X]**
(b)	**[ ]**	**Next Valuation Date.** After the next Valuation Date following Severance from Employment.	**[ ]**	**[ ]**
(c)	**[ ]**	**Plan Year.** In the __Plan Year following Severance from Employment *(e.g., next or fifth)*	**[ ]**	**[ ]**
(d)	**[ ]**	**Plan Year quarter.** In the __Plan Year quarter following Severance from Employment *(e.g., next or fifth)*	**[ ]**	**[ ]**
(e)	**[ ]**	**Contribution Type Accounts.** __*(specify timing)* as to the Participant's __Account(s) and __Account(s) *(e.g. for 401(k) plans, as soon as is practical following Severance from Employment as to the Participant's Elective Deferral Account and as soon as is practical in the next Plan Year following Severance from Employment as to the Participant's Nonelective and Matching Accounts).*	**[ ]**	**[ ]**
(f)	**[ ]**	**Vesting controlled timing.** If the Participant's total Vested Account Balance exceeds $__, distribute __*(specify timing)* and if the Participant's total Vested Account Balance does not exceed $__, distribute __*(specify timing).*	**[ ]**	**[ ]**
(g)	**[ ]**	**Distribute at Normal Retirement Age.** As to a Mandatory Distribution,distribute not later than 60 days after the beginning of the Plan Year following the Plan Year in which the previously severed Participant attains the earlier of Normal Retirement Age or age 65. [*Note: An election under column (2) only will have effect if the Plan's NRA is less than age 62.*]	**[ ]**	**[ ]**
(h)	**[ ]**	**No buy-back/vesting controlled timing.** Distribute as soon as is practical following Severance from Employment if the Participant is fully Vested. Distribute as soon as is practical following a Forfeiture Break in Service if the Participant is not fully Vested.	**[ ]**	**[ ]**
(i)	**[ ]**	**Describe Severance from Employment distribution timing: ______________**		

[*Note: The Employer under Election 45(i) may describe Severance from Employment distribution timing provisions from the elections available under Election 45 and/or a combination thereof as to any: (i) Participant group (e.g., Immediate distribution after Severance from Employment applies to Division A Employees OR to Employees hired on/before "x" date. Distribution after the next Valuation Date following Severance from Employment applies to Division B Employees OR to Employees hired after "x" date.); (ii) Contribution Type and Participant group (e.g., As to Division A Employees, immediate distribution after Severance from Employment applies as to Elective Deferral Accounts and distribution after the next Valuation Date following Severance from Employment applies to Nonelective Contribution Accounts); and/or (iii) merged plan account now held in the Plan (e.g., The accounts from the X plan merged into this Plan continue to be distributable in accordance with the X plan terms [supply terms] and not in accordance with the terms of this Plan). An Employer's election under Election 45(i) must: (i) be objectively determinable; (ii) not be subject to Employer discretion; (iii) comply with Code §401(a)(14) timing requirements; (iv) be nondiscriminatory and (v) preserve Protected Benefits as required.*]

Acceleration. Notwithstanding any later specified distribution date in Election 45, a Participant may elect an earlier distribution following Severance from Employment *(Choose (j) and/or (k) if applicable.)*:

(j) **[ ] Disability.** If Severance from Employment is on account of Disability or if the Participant incurs a Disability following Severance from Employment.

(k) **[ ] Hardship.** If the Participant incurs a hardship under Section 6.07(B) following Severance from Employment.

46. IN-SERVICE DISTRIBUTIONS/EVENTS **(6.01(C))**. A Participant may elect an In-Service Distribution of the designated Contribution Type Accounts based on any of the following events in accordance with Section 6.01(C) *(Choose one of (a) or (b).)*:

[*Note: Prevailing Wage Contributions are treated as Nonelective Contributions. See Section 6.01(C)(4)(d) if the Employer elects to use Prevailing Wage Contributions to offset other contributions.*

(a) **[ ] None.** The Plan does not permit any In-Service Distributions except as to any of the following (if applicable): (i) RMDs under Section 6.02; (ii) Protected Benefits; and (iii) Designated IRA Contributions. Also see Section 6.01(C)(4)(e) with regard to Rollover Contributions, Employee Contributions and DECs.

(b) **[X] Permitted.** In-Service Distributions are permitted as follows (*For Money Purchase Pension Contributions, select one or more of (1), (2), (3) and (9). For Profit Sharing Plans, select one or more of (1) through (6), (8) and (9). For 401(k) Plans, select one or more of (1) through (9). Select Contribution Type as applicable.)*:

[*Note for 401(k) plans: Unless the Employer elects otherwise in Election (b)(9) below, Elective Deferrals under Election 46(b) includes Pre-Tax and Roth Deferrals and Matching Contributions includes Additional Matching Contributions (irrespective of the Plan's ACP testing status).*]

				(1) All Contrib.		**(2) Elective Deferrals**	**(3) Safe Harbor Contrib.**	**(4) QNECs**	**(5) QMACs**	**(6) Matching Contrib.**	**(7) Nonelective/SIMPLE**
(1)	**[ ]**		**None.** Except for election 46(a) exceptions.	**N/A** (See Election 46(a))		**[ ]**	**[ ]**	**[ ]**	**[ ]**	**[ ]**	**[ ]**
(2)	[X]		**Age.** (select one or more of a. through d.):								
	a.	**[X]**	**Age** 59 1/2 *(must be at least 59 1/2).*	**[ ]**	**OR**	**[X]**	**[ ]**	**[ ]**	**[ ]**	**[ ]**	**[ ]**
	b.	**[X]**	**Age** 70 1/2 *(must be at least 59 1/2).*	**N/A**		**N/A**	**N/A**	**N/A**	**N/A**	**[X]**	**[X]**
	c.	**[ ]**	**Normal Retirement Age.**	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**	**[ ]**	**[ ]**	**[ ]**
	d.	**[ ]**	**Early Retirement Age.**	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**	**[ ]**	**[ ]**	**[ ]**

[*Note: In a 401(k) plan, Elections c. and d. do not apply to Elective Deferrals, Safe Harbor Contributions, QNECs, or QMACs unless the Participant has attained age 59 1/2.*]

[*Note for Money Purchase Pension Contributions: None of the elections a. though d. applies to a Money Purchase Pension Contribution unless the Participant has attained the earlier of age 62 or Normal Retirement Age*]

(3)	[ ]	**Disability.**	**[ ]**	**OR**	**[ ]**	**[ ]**	**[ ]**	**[ ]**	**[ ]**	**[ ]**
(4)	[X]	**Hardship.** (select one or both of a. and b.):								
a.	**[X]**	**Hardship (safe harbor).** See Section 6.07(A).	**N/A**		**[X]**	**N/A**	**N/A**	**N/A**	**[ ]**	**[ ]**
	[ ]	**Hardship (non-safe harbor).** See Section 6.07(B).	**N/A**		**[ ]**	**N/A**	**N/A**	**N/A**	**[ ]**	**[ ]**
(5)	[X]	**<u>2</u> year contributions.** *(specify minimum of two years)* See section 6.01(C)(4)(a)(i).	**N/A**		**N/A**	**N/A**	**N/A**	**N/A**	**[X]**	**[ ]**
(6)	[X]	**<u>60</u> months of participation.** *(specify minimum of 60 months)* See Section 6.01(C)(4)(a)(ii).	**N/A**		**N/A**	**N/A**	**N/A**	**N/A**	**[X]**	**[ ]**
(7)	[X]	**Qualified Reservist Distribution.** See Section 6.01(C)(4)(b)(iii). *(may only be selected with 401(k) plans)*	**N/A**		**[ ]**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
(8)	[X]	**Deemed Severance Distribution.** See Section 6.11.	**[X]**		**[ ]**	**[ ]**	**[ ]**	**[ ]**	**[ ]**	**[ ]**

[*Note for Money Purchase Pension Contributions: Elections (4) through (8) do not apply.*]

(9) [X] **Describe:** <u>The Employer Retirement contribution is available for In-Service Distribution upon attainment of age 59 1/2.</u>

[*Note: The Employer under Election 46(b)(9) may describe In-Service Distribution provisions from the elections otherwise available under Election 46 and/or a combination thereof as to any: (i) Participant group (e.g., Division A Employee Accounts are distributable at age 59 1/2 OR Accounts of Employees hired on/before "x" date are distributable at age 59 1/2. No In -Service Distributions apply to Division B Employees OR to Employees hired after "x" date.); (ii) Contribution Type (e.g., Discretionary Nonelective Contribution Accounts are distributable on Disability. Fixed Nonelective Contribution Accounts are distributable on Disability or Hardship (non -safe harbor)); and/or (iii) merged plan account now held in the Plan (e.g., The accounts from the X plan merged into this Plan continue to be distributable in accordance with the X plan terms [supply terms] and not in accordance with the terms of this Plan). An Employer's election under Election 46(b)(9) must: (i) be objectively determinable; (ii) not be subject to Employer discretion; (iii) preserve Protected Benefits as required; (iv) be nondiscriminatory; and (v) not permit an "early" distribution of any Restricted 401(k) Accounts or Restricted Pension Accounts. See Sections 6.01(C)(4) and 11.02(C)(3).*]

47. <u>IN-SERVICE DISTRIBUTIONS/ADDITIONAL CONDITIONS</u> **(6.01(C))**. Unless otherwise elected below, a Participant may elect to receive an In-Service Distribution upon any Election *46*(b) event without further condition, provided that the amount distributed may not exceed the Vested amount in the distributing Account *(choose one or more of (a) through (f) if applicable)* :

(a) **[ ] 100% vesting required.** A Participant may not receive an In-Service Distribution unless the Participant is 100% Vested in the distributing Account. This restriction applies to *(select one or more of (1), (2), or (3))*:

(1) **[ ] Hardship distributions.** Distributions based on hardship. (*does not apply for Money Purchase Pension Plans*)

(2) **[ ] Deemed Severance.** Distributions based on Deemed Severance under Section 6.11.

(3) **[ ] Other In-Service.** In-Service distributions other than distributions based on hardship or Deemed Severance.

(b) **[ ] Minimum amount.** A Participant may not receive an In-Service Distribution in an amount which is less than: $__ *(specify amount not exceeding $1,000)*. This restriction applies to *(Select one or more of (1), (2), or (3))*:

(1) **[ ] Hardship distributions.** Distributions based on hardship. *(does not apply for Money Purchase Pension Plans)*

(2) **[ ] Deemed Severance.** Distributions based on Deemed Severance under Section 6.11.

(3) **[ ] Other In-Service.** In-Service distributions other than distributions based on hardship or Deemed Severance.

(c) **[ ] Roth In-Service.** A Participant may not receive an In-Service Distribution from the Participant's Roth Deferral Account unless it is a qualified distribution as defined in Code §402A(d)(2). *(may only be selected with 401(k) plans)*

(d) **[ ] Maximum Number.** The maximum number of In-Service Distributions a Participant may receive during a Plan Year is

__*(Specify a number at least equal to 1. If (d) is not elected, the Plan Administrator, by policy, can impose a limitation).*

(e) **[X] Beneficiary's hardship need.** A Participant's hardship does not include an immediate and heavy financial need of the Participant's primary Individual Beneficiary under the Plan, as described in Section 6.07(G).

(f) **[X] Describe other conditions:** In-Service Distributions of Matching Contributions permitted only after the Participant has withdrawn all available Employee (after-tax) and Rollover Contributions. A Participant may not make more than one non -hardship In-Service Distribution in a six month period from Employee (after-tax), Matching and Rollover Contributions.

[*Note: An Employer's election under Election 47(f) must: (i) be objectively determinable; (ii) not be subject to Employer discretion; (iii) preserve Protected Benefits as required; (iv) be nondiscriminatory; and (v) not permit an "early" distribution of any Restricted 401(k) Accounts or Restricted Pension Accounts. See Section 6.01(C)(4).*]

48. POST-SEVERANCE AND LIFETIME RMD DISTRIBUTION MET HODS **(6.03)**. A Participant whose Vested Account Balance exceeds $5,000 (or any lesser amount elected in Appendix B, Election (g)(7)): (i) who has incurred a Severance from Employment and will receive a distribution; or (ii) who remains employed but who must receive lifetime RMDs, may elect distribution under one of the following method(s) of distribution described in Section 6.03 and subject to any Section 6.03 limitations. *(Select one or more of (a) through (g).)*:

[*Note: If a Participant dies after Severance from Employment but before receiving distribution of all of his/her Account, the elections under this Election 48 no longer apply. See Section 6.01(B) and Election 49.*]

(a) **[X] Lump-Sum.** See Section 6.03(A)(3).

(b) **[X] Installments.** See Section 6.03(A)(4).

(c) **[ ] Installments only if Participant subject to lifetime RMDs.** A Participant who is required to receive lifetime RMDs may receive installments payable in monthly, quarterly, semi-annual or annual installments equal to or exceeding the annual RMD amount. See Sections 6.02(A) and 6.03(A)(4)(a).

(d) **[ ] Alternative Annuity:** ______________________. See Section 6.03(A)(5).

[*Note: Under a Plan which is subject to the joint and survivor annuity distribution requirements of Section 6.04 (Election 50(b)), the Employer may elect under 48(d) to offer one or more additional annuities (Alternative Annuity) to the Plan's QJSA, QPSA or QOSA. The Alternative Annuity could be a QLAC, described in Section 6.02(E)(6)(b)]*

(e) **[X] Partial distributions.** See Section 6.03(A)(6). Also known as Ad-Hoc distributions.

(f) **[ ] Partial distributions only if Participant subject to lifetime RMDs.** A Participant who is required to receive lifetime RMDs may receive Partial Distributions equal to or exceeding the annual RMD amount. See Sections 6.02(A) and 6.03(A)(6)(a).

(g) **[ ] Describe distribution method(s):** __

[*Note: The Employer under Election 48(g) may describe Severance from Employment distribution methods from the elections available under Election 48 and/or a combination thereof as to any: (i) Participant group (e.g., Division A Employee Accounts are distributable in a Lump-Sum OR Accounts of Employees hired after "x" date are distributable in a Lump-Sum. Division B Employee Accounts are distributable in a Lump-Sum or in Installments OR Accounts of Employees hired on/before "x" date are distributable in a Lump -Sum or in Installments.); (ii) Contribution Type (e.g., Discretionary Nonelective Contribution Accounts are distributable in a Lump -Sum. Fixed Nonelective Contribution Accounts are distributable in a Lump-Sum or in Installments); and/or (iii) merged plan account now held in the Plan (e.g., The accounts from the X plan merged into this Plan continue to be distributable in accordance with the X plan terms [supply terms] and not in accordance with the terms of this Plan). An Employer's election under Election 48(g) must: (i) be objectively determinable; (ii) not be subject to Employer, Plan Administrator or Trustee discretion; (iii) be nondiscriminatory; and (iv) preserve Protected Benefits as required.*]

49. BENEFICIARY DISTRIBUTION ELECTIONS **(6.01(B))**. Distributions following a Participant's death will be made or begin as follows:

5-year; Life Expectancy (6.02(B)(1)(e)). If the Participant dies before the DCD and the Beneficiary is a designated Beneficiary, the deadline to commence RMDs will be determined as follows *(Select one of (a) through (d).)*:

(a) **[X] Beneficiary election.** The Designated Beneficiary may elect application of the 5 -year rule or the Life Expectancy rule. If the Beneficiary does not make a timely election *(Select one of (1) or (2))*:

(1) **[X] 5-year rule.** The 5-year rule applies to the Beneficiary.

(2) **[ ] Life Expectancy Rule.** The Life Expectancy rule applies to the Beneficiary.

(b) **[ ] 5-year rule.** The 5-year rule applies to the Beneficiary.

(c) **[ ] Life Expectancy rule.** The Life Expectancy rule applies to the Beneficiary.

(d) **[ ] Other:** __*(Describe, e.g., the 5-year rule applies to all Beneficiaries other than a surviving spouse Beneficiary.)*

Commencement of distributions to Beneficiary. (6.01(B)) Distributions to a Beneficiary will commence at such time as the Beneficiary may elect, consistent with Section 6.02, or if earlier, the time elected below. *(Choose one of (e), (f), or (g) if applicable):*

(e) **[ ] Immediate.** As soon as practical following the Participant's death and the determination of the Beneficiary.

(f) **[ ] Next Calendar Year.** On or before the last day of the calendar year which next follows the calendar year of the Participant's death.

(g) **[ ] Describe:** __

[*Note: The Employer under Election 49(g) may describe an alternative distribution timing or afford the Beneficiary an election which is narrower than that otherwise permitted under this election), or include special provisions related to certain beneficiaries. However, any election under Election 49(g) must require distribution to commence no later than the Section 6.02 required date.*]

50. JOINT AND SURVIVOR ANNUITY REQUIREMENTS **(6.04)**. The joint and survivor annuity distribution requirements of Section 6.04 *(Unless this is a Money Purchase Pension Plan, select one of (a) or (b). If this is a Money Purchase Pension Plan, select (b))*:

(a) **[X] Profit sharing exception.** Do not apply to an Exempt Participant, as described in Section 6.04(G)(1), but apply to any other Participants (or to a portion of their Account as described in Section 6.04(G)).

One-year marriage rule. Under Section 7.05(A)(3) relating to an Exempt Participant's Beneficiary designation under the profit sharing exception *(select one of (1) or (2))*:

(1) **[ ] Applies.** The one-year marriage rule applies.

(2) **[X] Does not apply.** The one-year marriage rule does not apply.

(b) **[ ] Joint and survivor annuity applicable.** Section 6.04 applies to all Participants.

One-year marriage rule. Under Section 6.04(B) relating to the QPSA *(select one of (1) or (2))*:

(1) **[ ] Applies.** The one-year marriage rule applies.

(2) **[ ] Does not apply.** The one-year marriage rule does not apply.

ARTICLE XII MULTIPLE EMPLOYER PLAN

51. MULTIPLE EMPLOYER PLAN **(12.01/12.02/12.03)**. The Employer makes the following elections regarding the Plan's Multiple Employer Plan status and the application of Article XII *(select one of (a) or (b))*:

(a) **[X] Not applicable.** The Plan is not a Multiple Employer Plan and Article XII does not apply.

(b) **[ ] Applies.** The Plan is a Multiple Employer Plan and the Article XII Effective Date is: __. The Employer makes the following additional elections *(choose (1) and/or (2) if applicable)*:

(1) **[ ] Participating Employer may modify.** See Section 12.03. A Participating Employer in the Participation Agreement may modify Adoption Agreement elections applicable to each Participating Employer (including electing to not apply Adoption Agreement elections) as follows *(select one of a. or b.; choose c. if applicable)*:

a. **[ ] All.** May modify all elections.

b. **[ ] Specified elections.** May modify the following elections: __*(specify by election number)*.

c. **[ ] Restrictions.** May modify subject to the following additional restrictions: __*(Specify restrictions. Any restrictions must be definitely determinable and may not violate Code §412 or the regulations thereunder.)*.

(2) **[ ] Lead Employer will not participate.** See Section 12.02(B). The Lead Employer is not a Participating Employer. The Employees of the Lead Employer, in their capacity as such, will be Excluded Employees.

[*Note: If Election (b)(1) above is not chosen, Participating Employers may not modify any Adoption Agreement elections. The Participation Agreement must be consistent with this Election 51(b)(1). Any Participating Employer election in the Participation Agreement which is not permitted under this Election 51(b)(1) is of no force or effect and the applicable election in the Adoption Agreement applies.*]

EXECUTION PAGE

The Employer, by executing this Adoption Agreement, hereby agrees to the provisions of this Plan .

Employer: Rayonier Inc.
Date: 02/02/2022
Signed: /s/ SHELBY PYATT
Shelby Pyatt

[*print name/title*]

Use of Adoption Agreement. Failure to complete properly the elections in this Adoption Agreement may result in disqualification of the Employer's Plan. The Employer only may use this Adoption Agreement in conjunction with the basic plan document referenced by its document number on Adoption Agreement page one. A Money Purchase Pension Plan must be a separate plan (with a separate Adoption Agreement) from a Profit Sharing Plan or 401(k) Plan.

Execution for Page Substitution Amendment Only. If this paragraph is completed, this Execution Page documents an amendment to Adoption Agreement Election(s) __effective __, by substitute Adoption Agreement page number(s) __. The Employer should retain all Adoption Agreement Execution Pages and amended pages. [*Note: The Effective Date may be retroactive or may be prospective.*]

Provider. The Provider, Great-West Trust Company, LLC will notify all adopting Employers of any amendment to this Pre-approved Plan or of any abandonment or discontinuance by the Provider of its maintenance of this Pre-approved Plan. For inquiries regarding the adoption of the Pre-approved Plan, the Provider's intended meaning of any Plan provisions or the effect of the Opinion Letter issued to the Provider, please contact the Provider or the Provider's representative

Provider Name: Great-West Trust Company, LLC Address: 8515 East Orchard Road, Greenwood Village, CO, 80111 Telephone Number: (877) 694-4015 Email address (optional): __

Reliance on Provider O pinion Letter. The Provider has obtained from the IRS an Opinion Letter specifying the form of this Adoption Agreement and the basic plan document satisfy, as of the date of the Opinion Letter, Code §401. An adopting Employer may rely on the Provider's IRS Opinion Letter *only* to the extent provided in Rev. Proc. 2017-41. The Employer may not rely on the Opinion Letter in certain other circumstances or with respect to certain qualification requirement s, which are specified in the Opinion Letter and in Rev. Proc. 2017-41 or subsequent guidance. In order to have reliance in such circumstances or with respect to such qualification requirements, the Employer must apply for a determination letter to Employee Plans Determinations of the IRS.

Appendix A - Special Retroactive or Prospective Effective Dates
Appendix B - Basic Plan Document Override Provisions
Appendix C - Table 1: Actuarial Factors

AMENDMENT TO IMPLEMENT HARDSHIP DISTRIBUTION PROVISIONS O F THE BIPARTISAN BUDGET ACT O F 2018

RAYONIER INVESTMENT AND SAVINGS PLAN FO R SALARIED EMPLOYEES ARTICLE I

PREAMBLE

1.1 **Adoption and effective date of Amendment.** The Document Provider, on behalf of the Employer, hereby adopts this Amendment to the Employer's Plan. Except as otherwise specified in this Amendment, this Amendment is effective ("the Effective Date") o n the first day of the first Plan Year beginning after December 31, 2018, or as soon as administratively feasible thereafter, and in no event later than the Latest Effective Date. If the Plan, prior to this Amendment, does not provide for hardship distributions, then this Amendment will be void and of no effect.

1.2 **Superseding of inconsistent provisions**. This Amendment supersedes the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Amendment. Except as otherwise provided in this Amendment, terms defined in the Plan will have the same meaning in this Amendment.

1.3 **Construction.** Except as otherwise provided in this Amendment, any "Section" reference in this Amendment refers only to this Amendment and is not a reference to the Plan. The Article and Section numbering in this Amendment is solely for purposes of this Amendment, and does not relate to the Plan article, section, or other numbering designations.

1.4 **Effect of restatement of Plan.** If the Employer restates the Plan using the Document Provider's pre-approved plan based on The Cumulative List of Changes in Plan Qualification Requirements for Pre-approved Defined Contribution Plans for 2017 (Notice 2017-37) or any earlier Cumulative List, then this Amendment shall remain in effect after such restatement unless the provisions in this Amendment are restated or otherwise become obsolete (e.g., if the Plan is restated onto a plan document which incorporates these provisions).

1.5 **Adoption by Document Provider.** The Document Provider hereby adopts this Amendment on behalf of all of the Document Provider's plans adopted by its adopting employers. The adoption by the Document Provider becomes applicable with respect to an Employer's Plan on the Effective Date (or, if later, the Effective Date of the Plan), unless the Employer individually adopts this Amendment, or an alternative amendment, prior to the expiration of the remedial amendment period relating to this Amendment.

ARTICLE II ELECTIONS

Instructions: Complete the elections at Sections 2.1 and 2.2. Unless this Amendment is signed by the Employer, the default elections in Section 2.3 will apply. If the Employer is satisfied with those defaults and the Document Provider's elections in Sections 2. 1 and 2.2, the Employer does not need to execute this Amendment. Otherwise, the Employer must complete the elections at Sections 2.1 and 2.2, may complete one or more of Sections 2.4 through 2.7 in order to override the default elections in Amendment Section 2.3, and must execute the amendment.

2.1 **Termination of deferral suspension.** Hardship distributions made on or after the Effective Date will not trigger a suspension of Elective Deferrals, pursuant to Section 3.1(c). If a Participant received a hardship distribution before the Effective Date, and therefore Elective Deferrals were suspended, will the Participant be able to resume deferrals as soon as practical after the Effective Date?

a. [ ] **YES.** Beginning on the Effective Date, Elective Deferrals will not be suspended on account of a hardship distribution, regardless of the date of the distribution.

b. [X] **NO .** The Participant's suspension of Elective Deferrals begun before the Effective Date will continue as originally scheduled.

2.2 Expansion of sources available for a hardship distribution. Pursuant to Amendment Section 3.2, are QNECs and QMACs available for hardship distributions?

a. [ ] **YES.** QNECs and QMACs are available for hardship distributions.

b. [X] **NO .** QNECs and QMACs are not available for hardship distributions.

2.3 **Default Provisions.** The following provisions apply except to the extent the Employer makes a different election in one or more of Sections 2.4 through 2.7 and executes the Amendment .

a. After the Effective Date, Participants do not need to take plan loans before taking hardship distributions.

b. After the Effective Date, earnings on Elective Deferrals may be withdrawn on account of a hardship.

c. Hardship needs include residential casualty losses (without regard to whether the casualty was in a federally declared disaster area) and Disaster Losses, effective January 1, 2018 or as soon as practical thereafter.

d. The Effective Date is the first day of the first Plan Year beginning after December 31, 2018, or as soon as administratively feasible thereafter, and in no event later than the Latest Effective Date.

Skip Sections 2.4 through 2.7 if you accept the default provisions listed in Section 2.3. Any entry in Sections 2.4 through 2.7 will override those defaults.

2.4 **Loan Requirement.** The provisions of Amendment Section 3.1(b), requiring recipients of hardship distributions to take available nontaxable loans, will NOT apply unless selected below:

a. [ ] Amendment Section 3.1(b) APPLIES(i.e., Participants are required to obtain a Plan loan) indefinitely, unless and until the Plan is further amended.

2.5 **Expansion of sources available for a hardship distribution.** Earnings on amounts attributable to Elective Deferrals are available for hardship distribution, unless selected below:

a. [ ] Earnings on amounts attributable to Elective Deferrals are NOT available for hardship distributions.

2.6 **Hardship needs/events.** The provisions of Amendment Sections 3.3 (relating to residential casualty losses) and 3.4 (relating to Disaster Losses) apply as of January 1, 2018, or as soon as practical thereafter, unless otherwise elected below.

a. [ ] Amendment Section 3.3 will NOT apply (and so casualty losses are limited to federally declared disasters, pursuant to Code §165(h)).

b. [ ] Amendment Section 3.4 will NOT apply (and so the Plan will not make hardship distributions on account of Disaster Losses).

2.7 **Effective Dates.** Unless otherwise selected below, the Effective Date is the first day of the first Plan Year beginning after December 31, 2018, or as soon as administratively feasible thereafter, and in no event later than the Latest Effective Date. Except as otherwise specified in this Amendment, all provisions are effective on the Effective Date.

a. [ ] Other general Effective Date: __(may not be earlier than the first day of the first Plan Year beginning on or after January 1, 2019 or after the Latest Effective Date).

b. [ ] Special Effective Date for Amendment Section 2.2a: __*[Enter a special effective date, no sooner than the first day of the 2019 Plan Year.]*

c. [ ] Special Effective Date for Amendment Section 2.3a: __*[Enter a special effective date, no sooner than the first day of the 2019 Plan Year.]*

d. [ ] Special Effective Date for Amendment Section 2.3b: __*[Enter a special effective date no sooner than the first day of the 2019 Plan Year.]*

e. [ ] Special Effective Date for Amendment Section 2.3c: __*[Enter a special effective date for the expansion of hardship needs/events, no sooner than January 1, 2018.]*

ARTICLE III
DISTRIBUTION BASED ON HARDSHIP

3.1 **Modification of hardship necessity provisions.**

a. The Necessity Provisions of the Plan are repealed. Except as otherwise provided in this Section 3.1, the Plan will not make a hardship distribution to a Participant unless the Participant has obtained all other currently available distributions (including distributions of ESOP dividends under section Code §404(k), but not hardship distributions) under the plan and all other plan s of deferred compensation, whether qualified or nonqualified, maintained by the Employer. In addition, for a distribution that is made on or after the Latest Effective Date (or such earlier date as the Plan Administrator has implemented the procedure), the Participant must certify (in writing, by an electronic medium as defined in Treas. Reg. §1.401(a)-21(e)(3), or in such other form as authorized in IRS guidance) that he or she has insufficient cash or other liquid assets reasonably available to satisfy the need.

b. If and only if elected in Amendment Section 2.4, before a hardship distribution may be made, a Participant must obtain all nontaxable loans (determined at the time a loan is made) available under the plan and all other plans maintained by the Employer.

c. The Plan will not suspend the Participant from making Elective Deferrals on account of receipt of a hardship distribution. This provision will apply to hardship distributions made after the Effective Date. Under Amendment Section 2.1, it may also apply, as of the Effective Date, to certain suspensions of Elective Deferrals on account of receipt of a hardship distribution prior to the Effective Date.

3.2 **Modification of amounts that may be withdrawn on account of a hardship.** Except as otherwise elected in Amendment Sections 2.2 and 2.5, earnings on Elective Deferrals, QNECs, and QMACs (and the earnings thereon) may be withdrawn on account of a hardship. The hardship provisions set forth in the Plan, except as modified by this Amendment, continue to apply.

3.3 **Residential casualty loss.** Except as otherwise provided in Amendment Section 2.6, effective January 1, 2018 or as soon as practical thereafter, to the extent the Plan permits hardship distributions for expenses to repair damage to the Participant' s principal residence that would qualify for a casualty loss deduction under Code §165, such amounts will be determined without regard to Code §165(h)(5).

3.4 **Disaster loss.** If the Plan is a Deemed Need Plan, then except as otherwise provided in Amendment Section 2.6, effective January 1, 2018 or as soon as practical thereafter, the financial needs which can justify a hardship distribution to a Participant are expanded to include Disaster Losses.

ARTICLE IV DEFINITIONS

4.1 **Suspensions of Elective Deferrals.** Any reference to suspension of Elective Deferrals means and includes a suspension of Elective Deferrals and/or Employee Contributions to this Plan or any other qualified plan, a 403(b) plan, or an eligible governmental plan (described in Treas. Reg. §1.457-2(f)) of the Employer.

4.2 **QNEC s.** A "QNEC" is a Qualified Nonelective Contribution, described in Code §401(m)(4)(C) or a safe harbor nonelective contribution described in Code §401(k)(12)(C). For purposes of this Amendment only, a QACA nonelective contribution described in Code §401(k)(13)(D)(i)(II) will also be treated as though it were a QNEC.

4.3 **QMACs.** A "QMAC" is a Qualified Matching Contribution, described in Code §401(k)(3)(D)(ii)(I), or a safe harbor matching contribution described in Code §401(k)(12)(B). For purposes of this Amendment only, a QACA matching contribution described in Code §401(k)(13)(D)(i)(I) will also be treated as though it were a QMAC.

4.4 **Necessity Provisions.** The "Necessity Provisions" of the Plan are those provisions which implement the provisions of Treas. Reg. §1.401(k)-1(d)(3)(iv)(B), (C), (D), and (E), as in effect prior to April 1, 2019. These provisions may either reflect the safe harbor "deemed necessary" standards of subparagraph (E) of that regulation, or the non-safe harbor "no alternative means" standards of subparagraphs (B), (C), and (D) of that regulation.

4.5 **Deemed Need Plan.** The Plan is a "Deemed Need Plan" to the extent the Plan limits eligibility for a hardship distribution to the deemed immediate and heavy financial needs described in Treas. Reg. §1.401(k)-1(d)(3)(ii)(B), (as revised effective April 1, 2019).

4.6 **Disaster Losses.** Disaster Losses are expenses and losses (including loss of income) incurred by the Participant on account of a disaster declared by the Federal Emergency Management Agency (FEMA) under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Pub. L. 100 -707, provided that the Participant's principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster.

4.7 **Document Provider.** The Document Provider means the Sponsor of a Prototype Plan or VS Practitioner of a Volume Submitter Plan as defined in Rev. Proc. 2015-36, or the Provider of a Pre-approved Plan, as defined in Rev. Proc. 2017 -41. References to the Document Provider's plans or to pre-approved plans refer to the Prototype Plans, Volume Submitter Plans, and/or Pre-approved Plans sponsored by the Document Provider for use by adopting employers, as the case may be. Plans sponsored by the Document Provider for use by adopting employers, as the case may be.

4.8 **Latest Effective Date.** The "Latest Effective Date" is the latest of January 1, 2020, the Effective Date of the Plan, or the effective date of any amendment adding hardship distributions to the Plan.

Except with respect to any election made by the employer in Article II, this Amendment is hereby adopted by the prototype sponsor/volume submitter practitioner on behalf of all adopting employers.

Signature and date on file (signature and date)

Sponsor/Practitioner Name: Great-West Trust Company, LLC

EXHIBIT 22.1

List of Parent and Subsidiary Guarantors

The below chart lists the parent and subsidiary guarantors of Rayonier, L.P.’s 2.75% Senior Notes due 2031 as of March 31, 2022, including those that may no longer be subject to reporting as provided by Regulation S-X Rule 13-01:

Entity	Jurisdiction of Formation	Registered Security	Guarantor Status
Rayonier Inc.	North Carolina	Senior Notes	Joint and Several, Fully and Unconditionally
Rayonier TRS Holdings Inc.	Delaware	Senior Notes	Joint and Several, Fully and Unconditionally

EXHIBIT 31.1

CERTIFICATION

I, David L. Nunes, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Rayonier Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2022

/s/ DAVID L. NUNES

David L. Nunes
President and Chief Executive Officer, Rayonier Inc.

EXHIBIT 31.2

CERTIFICATION

I, Mark McHugh, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Rayonier Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2022

/s/ MARK MCHUGH

Mark McHugh
Senior Vice President and Chief Financial Officer, Rayonier Inc.

EXHIBIT 31.3

CERTIFICATION

I, David L. Nunes, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Rayonier, L.P.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2022

/s/ DAVID L. NUNES
David L. Nunes
President and Chief Executive Officer of Rayonier Inc., General Partner

EXHIBIT 31.4

CERTIFICATION

I, Mark McHugh, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Rayonier, L.P.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2022

/s/ MARK MCHUGH

Mark McHugh
Senior Vice President and Chief Financial Officer
of Rayonier Inc., General Partner

EXHIBIT 32.1

CERTIFICATION

The undersigned hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that to our knowledge:

1. The quarterly report on Form 10-Q of Rayonier Inc. (the "Company") for the period ended March 31, 2022 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

May 6, 2022

/s/ DAVID L. NUNES	/s/ MARK MCHUGH
David L. Nunes	Mark McHugh
President and Chief Executive Officer, Rayonier Inc.	*Senior Vice President and* *Chief Financial Officer, Rayonier Inc.*

A signed original of this written statement required by Section 906 has been provided to Rayonier, Inc. and will be retained by Rayonier, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

CERTIFICATION

The undersigned hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that to our knowledge:

1. The quarterly report on Form 10-Q of Rayonier, L.P. (the "Rayonier Operating Partnership") for the period ended March 31, 2022 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information in the Report fairly presents, in all material respects, the financial condition and results of operations of the Rayonier Operating Partnership.

May 6, 2022

/s/ DAVID L. NUNES	/s/ MARK MCHUGH
David L. Nunes	Mark McHugh
President and Chief Executive Officer of Rayonier Inc., General Partner	*Senior Vice President and* *Chief Financial Officer of Rayonier Inc., General Partner*

A signed original of this written statement required by Section 906 has been provided to Rayonier, L.P. and will be retained by Rayonier, L.P. and furnished to the Securities and Exchange Commission or its staff upon request.