

BOOTHBAY MULTI-STRATEGY FUND, LP
(PREPARED ON THE LIQUIDATION BASIS OF ACCOUNTING)

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT

JULY 1, 2014

BOOTHBAY MULTI-STRATEGY FUND, LP

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Independent Auditors' Report

To the Partners of Boothbay Multi-Strategy Fund, LP:

We have audited the accompanying financial statements of Boothbay Multi-Strategy Fund, LP (the "Fund"), which comprise the statement of operations and statement of changes in partners' capital for the period January 1, 2014 through May 31, 2014, the statement of net assets in liquidation as of July 1, 2014, and the related statements of operations in liquidation and changes in net assets in liquidation for the period June 1, 2014 through July 1, 2014 and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements referred to above present fairly in all material respects, the net assets in liquidation of Boothbay Multi-Strategy Fund, LP as of July 1, 2014 and the results of its operations and changes in partners' capital for the period January 1, 2014 through May 31, 2014, and the results of its operations in liquidation and changes in net assets in liquidation for the period June 1, 2014 through July 1, 2014 in accordance with U.S. generally accepted accounting principles applied on the basis described in Note 1 of the financial statements.

Emphasis of Matter

As more fully disclosed in Note 1 of the financial statements, the General Partner decided to liquidate and terminate the operations of the Fund on May 31, 2014 as the General Partner concluded that liquidation was imminent as defined in ASC Subtopic 204-30, Liquidation Basis of Accounting. As a result, the Fund changed its basis of accounting for the periods subsequent to May 31, 2014 from the going-concern basis to a liquidation basis. Our opinion was not modified with respect to this matter.

KPMG LLP

January 28, 2016

BOOTHBAY MULTI-STRATEGY FUND, LP

STATEMENT OF NET ASSETS IN LIQUIDATION

July 1, 2014

Assets	\$ -
Liabilities	
Accrued expenses	-
Net assets in liquidation	\$ -

See accompanying notes to financial statements.

BOOTHBAY MULTI-STRATEGY FUND, LP

	STATEMENT OF OPERATIONS	STATEMENT OF OPERATIONS IN LIQUIDATION
	1/1/2014 - 5/31/2014	6/1/2014 - 7/1/2014
Investment income		
Interest	\$ 301	\$ 355
Dividends (net of foreign withholding taxes of \$5,227)	470,246	199,000
Other income	199,169	701
Total investment income	<u>669,716</u>	<u>200,056</u>
Expenses		
Dividend expense	419,893	152,125
Interest expense	83,350	17,583
Stock loan fees	296,713	111,071
Management fees	96,697	36,294
Administrative fee	25,000	5,000
Professional fees and other	500,385	132,773
Total expenses	<u>1,422,038</u>	<u>454,846</u>
Net investment loss	<u>(752,322)</u>	<u>(254,790)</u>
Realized and unrealized gain (loss) on investments		
Net realized gain on investments	1,463,449	1,097,801
Net realized gain on derivative contracts	36,744	140,800
Net realized gain (loss) on foreign currency transactions	(71,721)	36,242
Net change in unrealized depreciation on investments	(234,956)	(522,405)
Net change in unrealized appreciation or depreciation on special purpose vehicles	436,205	(485,791)
Net change in unrealized depreciation on derivative contracts	(8,188)	(28,109)
Net change in unrealized appreciation on foreign currency	-	49,560
Net gain on investments, derivatives and foreign currency	<u>1,621,533</u>	<u>288,098</u>
Net income	<u>\$ 869,211</u>	<u>\$ 33,308</u>

See accompanying notes to financial statements.

BOOTHBAY MULTI-STRATEGY FUND, LP

STATEMENT OF CHANGES IN PARTNERS' CAPITAL

	General Partner	Limited Partners	Total
Partners' capital , as of January 1, 2014	\$ 97,799	\$ 17,870,715	\$ 17,968,514
Capital contributions	-	34,350,000	34,350,000
Capital withdrawals	-	-	-
Allocation of net income			
Pro rata allocation	2,949	866,262	869,211
Reallocation to General Partner	-	-	-
	<u>2,949</u>	<u>866,262</u>	<u>869,211</u>
Partners' capital , as of May 31, 2014	<u>\$ 100,748</u>	<u>\$ 53,086,977</u>	<u>\$ 53,187,725</u>

STATEMENT OF CHANGES IN NET ASSETS IN LIQUIDATION

Net assets in liquidation , as of June 1, 2014	\$ 100,748	\$ 53,086,977	\$ 53,187,725
Capital contributions	-	-	-
Capital withdrawals	(175,192)	(53,045,841)	(53,221,033)
Allocation of net income			
Pro rata allocation	319	32,989	33,308
Reallocation to General Partner	74,125	(74,125)	-
	<u>74,444</u>	<u>(41,136)</u>	<u>33,308</u>
Net assets in liquidation , as of July 1, 2014	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

BOOTHBAY MULTI-STRATEGY FUND, LP

NOTES TO FINANCIAL STATEMENTS

1. Nature of operations and summary of significant accounting policies

Nature of Operations

Boothbay Multi-Strategy Fund, LP (the "Fund"), a Delaware investment limited partnership, commenced operations on February 1, 2013. The Fund was organized for the purpose of trading and investing in securities, futures and swap contracts of all types and in other investment vehicles and instruments. The Fund was managed by Boothbay Hybrid GP, LLC (the "General Partner"), a Delaware limited liability company and Boothbay Fund Management, LLC (the "Investment Manager"), a Delaware limited liability company.

On July 1, 2014 Boothbay Absolute Return Strategies, LP, an affiliate under the common management of the Investment Manager, acquired all assets, liabilities and equity of the Fund pursuant to a plan of reorganization approved by management on May 31, 2014. The purpose of the transaction was to combine two funds managed by the General Partner with comparable investment objectives and strategies. The investment portfolio of the Fund was the principal asset acquired by Boothbay Absolute Return Strategies, LP. Investors of the Fund became Investors of Boothbay Absolute Return Strategies, LP as of July 1, 2014. The capital withdrawals on the Statement of Changes in Partners' Capital includes the transfer of the Fund's assets, liabilities, and equity to Boothbay Absolute Return Strategies, LP.

The capital withdrawals on the Statement of Changes in Partners' Capital (in liquidation) includes the transfer of the Fund's assets, liabilities, and equity to Boothbay Absolute Return Strategies, LP.

Basis of Presentation

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as detailed in the Financial Accounting Standards Board's Accounting Standards Codification. The Fund is an investment company and follows the accounting and reporting guidance in Financial Accounting Standards Board ("FASB") Accounting Standard Codification 946.

These financial statements were approved by management and available for issuance on January 28, 2016. Subsequent events have been evaluated through this date.

Liquidation basis of accounting

On May 31, 2014 (the "liquidation date"), management approved a plan of liquidation to liquidate the Fund in an orderly manner. Management had the authority to make the plan effective, assessed that there were no parties that could block the execution of the plan and determined the likelihood that the Fund would return from liquidation was remote. As a result, management determined that liquidation was imminent as of May 31, 2014.

As of the liquidation date, the Fund changed its basis of accounting from the going concern basis to the liquidation basis, whereby the net assets in liquidation are measured to reflect the amounts expected to be collected and the amounts expected to be obligated to pay during the course liquidation. The adoption of the liquidation basis of accounting did not have a material effect on the carrying values of assets and liabilities as of the liquidation date.

BOOTHBAY MULTI-STRATEGY FUND, LP

NOTES TO FINANCIAL STATEMENTS

1. Nature of operations and summary of significant accounting policies (continued)

Fair Value - Definition and Hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

In determining fair value, the Fund used various valuation techniques. A fair value hierarchy for inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs are to be used when available. Valuation techniques that are consistent with the market or income approach are used to measure fair value. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.

Level 2 – Valuations based on inputs, other than quoted prices included in Level 1 that are observable either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Fair value is a market-based measure, based on assumptions of prices and inputs considered from the perspective of a market participant that are current as of the measurement date, rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the Fund's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date.

The availability of valuation techniques and observable inputs can vary from investment to investment and are affected by a wide variety of factors, including the type of investment, whether the investment is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for the investments existed. Accordingly, the degree of judgment exercised by the Fund in determining fair value is greatest for investments categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement.

Fair Value - Valuation Techniques and Inputs

Investments in Securities and Securities Sold Short

Investments in securities and securities sold short that are freely tradable and are listed on major securities exchanges are valued at their last reported sales price as of the valuation date.

Many over-the-counter ("OTC") contracts have bid and ask prices that can be observed in the marketplace. Bid prices reflect the highest price that the marketplace participants are willing to pay for an asset. Ask prices represent the lowest price that the marketplace participants are willing to accept for an asset. For securities whose inputs are based on bid-ask prices, the Fund's valuation policies do not require that fair value always be a predetermined point in the bid-ask range. The Fund's policy for securities traded in the OTC markets and listed securities for which no

BOOTHBAY MULTI-STRATEGY FUND, LP

NOTES TO FINANCIAL STATEMENTS

1. Nature of operations and summary of significant accounting policies (continued)

Investments in Securities and Securities Sold Short (continued)

sale was reported on that date are generally valued at their last reported "bid" price if held long, and last reported "ask" price if sold short.

To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy. Securities traded on inactive markets or valued by reference to similar instruments are generally categorized in Level 2 of the fair value hierarchy.

Derivative Contracts

The Fund recorded its derivative activities at fair value. Gains and losses from derivative contracts were included in net gain (loss) from derivative contracts in the statement of operations.

Option contracts

The fair value of options which are listed on major securities exchanges were valued at their last reported sales price as of the valuation date or based on the midpoint of the bid/ask spread at the close of business. Depending on the frequency of trading, options were generally categorized in Level 1 or 2 of the fair value hierarchy.

Futures contracts

Futures contracts which are listed on major securities exchanges were valued at their last reported sales price as of the valuation date. Futures contracts were generally categorized in Level 1 of the fair value hierarchy.

Contracts for differences

Contracts for differences are traded on the OTC market. The fair value of contracts for differences were derived by taking the difference between the quoted price of the underlying security and the contract price. Contracts for differences were generally categorized in Level 2 of the fair value hierarchy.

Investment in Partnership Interest

Investments in partnership interest were valued, as a practical expedient, utilizing the net asset valuations provided by the underlying partnership interest, without adjustment, when the net asset valuations of the investments are calculated in a manner consistent with GAAP for investment companies. The Fund applied the practical expedient to its investments in partnership interest on an investment-by-investment basis, and consistently with the Fund's entire position in a particular investment, unless it was probable that the Fund would sell a portion of an investment at an amount different from the net asset valuation. If it was probable that the Fund would sell an investment at an amount different from the net asset valuation or in other situations where the practical expedient is not available, the Fund considered other factors in addition to the net asset valuation, such as features of the investment, including subscription and redemption rights, expected discounted cash flows, transactions in the secondary market, bids received from potential buyers, and overall market conditions in its determination of fair value.

Investments in partnership interest were categorized in Level 2 of the fair value hierarchy. In determining the level, the Fund considered the length of time until the investment is redeemable, including notice and lock-up periods or any other restriction on the disposition of the investment. The Fund also considered the nature of the portfolios of the underlying partnership interest and their ability to liquidate their underlying investments.

BOOTHBAY MULTI-STRATEGY FUND, LP

NOTES TO FINANCIAL STATEMENTS

1. Nature of operations and summary of significant accounting policies (continued)

Investment in Partnership Interest (continued)

If the Fund had the ability to redeem its investment at the reported net asset valuation as of the measurement date, the investment was generally categorized in Level 2 of the fair value hierarchy. If the Fund did not know when it would have the ability to redeem the investment or it did not have the ability to redeem its investment in the near term, the investment was categorized in Level 3 of the fair value hierarchy.

Translation of Foreign Currency

Assets and liabilities denominated in foreign currencies were translated into United States dollar amounts at the year-end exchange rates. Transactions denominated in foreign currencies, including purchases and sales of investments, and income and expenses, were translated into United States dollar amounts on the transaction date. Adjustments arising from foreign currency transactions are reflected in the statement of operations.

The Fund does not isolate that portion of the results of operations arising from the effect of changes in foreign exchange rates on investments from fluctuations arising from changes in market prices of investments held. Such fluctuations are included in net gain (loss) on investments in the statement of operations.

Investment Transactions and Related Investment Income

Investment transactions were accounted for on a trade-date basis. Dividends were recorded on the ex-dividend date and interest is recognized on the accrual basis.

Income Taxes

The Fund did not record a provision for U.S. federal, state, or local income taxes because the partners reported their share of the Fund's income or loss on their income tax returns. However, certain U.S. dividend income and interest income may be subject to a maximum 30% withholding tax for those limited partners that are foreign entities or foreign individuals. Further, certain non-United States dividend income may be subject to a tax at prevailing treaty or standard withholding rates with the applicable country or local jurisdiction. The Fund filed an income tax return in the U.S. federal jurisdiction, and may file income tax returns in various U.S. states and foreign jurisdictions.

The Fund is required to determine whether its tax positions are more likely than not to be sustained upon examination by the applicable taxing authority, based on the technical merits of the position. The tax benefit recognized is measured as the largest amount of benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement with the relevant taxing authorities. Based on its analysis, the Fund has determined that it has not incurred any liability for unrecognized tax benefits as of July 1, 2014. The Fund does not expect that its assessment regarding unrecognized tax benefits will materially change over the next twelve months. However, the Fund's conclusions may be subject to review and adjustment at a later date based on factors including, but not limited to, questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions, compliance with U.S. federal, U.S. state and foreign tax laws, and changes in the administrative practices and precedents of the relevant taxing authorities.

BOOTHBAY MULTI-STRATEGY FUND, LP

NOTES TO FINANCIAL STATEMENTS

1. Nature of operations and summary of significant accounting policies (continued)

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions in determining the reported amounts of assets and liabilities, including the fair value of investments, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

2. Fair value measurements

The following table presents additional information about Level 3 assets measured at fair value. Both observable and unobservable inputs may be used to determine the fair value of positions that the Fund has categorized within the Level 3 category. As a result, the unrealized gains and losses for assets and within the Level 3 category may include changes in fair value that were attributable to both observable and unobservable inputs.

	LEVEL 3					Change in Unrealized Gains (Losses) for Investments still held at July 1, 2014
	Beginning Balance January 1, 2014	Realized & Unrealized Gains (Losses) ^(a)	Purchases	Sales	Ending Balance July 1, 2014	
Assets (at fair value)						
Investment in special purpose vehicles	\$ 649,586	\$ 114,414	\$ -	\$ (764,000)	\$ -	\$ -

(a) Realized and unrealized gains and losses are all included in net gain (loss) on investments in the Statement of Operations.

BOOTHBAY MULTI-STRATEGY FUND, LP

NOTES TO FINANCIAL STATEMENTS

3. Derivative contracts

In the normal course of business, the Fund utilized derivative contracts in connection with its proprietary trading activities. Investments in derivative contracts are subject to additional risks that can result in a loss of all or part of an investment. The Fund's derivative activities and exposure to derivative contracts are classified by the following primary underlying risks: foreign currency exchange rate, commodity price, and equity price. In addition to its primary underlying risks, the Fund is also subject to additional counterparty risk due to inability of its counterparties to meet the terms of their contracts.

Options

The Fund was subject to equity and commodity price risk and foreign currency exchange rate risk in the normal course of pursuing its investment objectives. The Fund entered into options to speculate on the price movements of the financial instrument, commodity, or currency underlying the option, or for use as an economic hedge against certain positions held in the Fund's portfolio holdings. Options purchased gave the Fund the right, but not the obligation, to buy or sell within a limited time, a financial instrument, commodity or currency at a contracted price that may also be settled in cash, based on differentials between specified indices or prices.

Options written obligated the Fund to buy or sell within a limited time, a financial instrument, commodity or currency at a contracted price that may also be settled in cash, based on differentials between specified indices or prices. When the Fund wrote an option, an amount equal to the premium received by the Fund was recorded as a liability and is subsequently adjusted to the current fair value of the option written. Options written by the Fund may expose the Fund to market risk of an unfavorable change in the financial instrument underlying the written option.

For some OTC options, the Fund may have been exposed to counterparty risk from the potential that a seller of an option does not sell or purchase the underlying asset as agreed under the terms of the option contract. The maximum risk of loss from counterparty risk to the Fund was the fair value of the contracts and the premiums paid to purchase its open options. In these instances, the Fund considers the credit risk of the intermediary counterparty to its option transactions in evaluating potential credit risk.

Futures Contracts

The Fund used futures to gain exposure to, or hedge against, changes in the value of equities and commodities, interest rates or foreign currencies. A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date.

The purchase and sale of futures requires margin deposits with a Futures Commission Merchant ("FCM") equal to a certain percentage of the contract amount. Subsequent payments (variation margin) were made or received by the Fund each day, depending on the daily fluctuations in the value of the contract. The Fund recognized a gain or loss equal to the daily variation margin. Futures reduced the Fund's exposure to counterparty risk since futures contracts are exchange-traded and the exchange's clearinghouse, as the counterparty to all exchange-traded futures, guarantees the futures against default.

The Commodity Exchange Act requires an FCM to segregate all customer transactions and assets from the FCM's proprietary activities. A customer's cash and other equity deposited with an FCM are considered commingled with all other customer funds subject to the FCM's segregation requirements. In the event of an FCM's insolvency, recovery may be limited to the Fund's pro rata share of segregated customer funds available. It is possible that the recovery amount could be less than the total of cash and other equity deposited.

BOOTHBAY MULTI-STRATEGY FUND, LP

NOTES TO FINANCIAL STATEMENTS

3. Derivative contracts (continued)

Contracts for Differences

The Fund entered into contracts for differences arrangements with a financial institution. Contracts for differences arrangements involve an agreement by the Fund and a counterparty to exchange the difference between the opening and closing price of the position underlying the contract which is generally an equity security. Therefore, amounts required for the future satisfaction of the contracts for differences may be greater or less than the amount recorded.

Volume of Derivative Activities

The Fund considers the volume at July 1, 2014 prior to the transfer of all assets, liabilities and equity to Boothbay Absolute Return Strategies, LP to be an accurate representation of the volume of derivative activities for the period January 1, 2014 through July 1, 2014.

At July 1, 2014, the volume of the Fund's derivative activities, prior to the transfer of all assets, liabilities and equity to Boothbay Absolute Return Strategies, LP based on their notional amounts^(a) and number of contracts, categorized by primary underlying risk, was as follows (notional amounts in thousands):

	Long Exposure		Short Exposure	
	Notional amounts	Number of contracts	Notional amounts	Number of contracts
Primary underlying risk				
Equity price				
Equity options	\$ 2,524	1,386	\$ 577	196
Equity index options	10,989	31	18,962	84
Contracts for differences	18,513	69	14,906	53
	<u>32,025</u>	<u>1,486</u>	<u>34,445</u>	<u>333</u>
Commodity price				
Commodity option	2,848	102	3,232	54
Index option	27,840	144	9,950	52
Physical commodity future	1,585,277	416	1,966,741	386
Physical index future	290	15	735	8
	<u>1,616,255</u>	<u>677</u>	<u>1,980,658</u>	<u>500</u>
Foreign currency exchange rate				
Currency future	165,498	14	10,975	1
	<u>\$ 1,813,778</u>	<u>2,177</u>	<u>\$ 2,026,077</u>	<u>834</u>

(a) Notional amounts presented for options are based on the fair value of the underlying shares as if the options were exercised at July 1, 2014.

BOOTHBAY MULTI-STRATEGY FUND, LP

NOTES TO FINANCIAL STATEMENTS

4. Derivative contracts (continued)

Impact of Derivatives on the Statement of Financial Condition and Statement of Operations

The following table identifies the net gain and loss amounts included in the statement of operations as net realized gain on derivative contracts and net change in unrealized depreciation on derivative contracts, categorized by primary underlying risk, for the period January 1, 2014 through July 1, 2014:

<u>Primary underlying risk</u>	<u>Realized gain (loss)</u>	<u>Unrealized gain (loss)</u>
Equity price		
Equity index	\$ -	\$ -
Equity option	49,726	(1,541)
Equity warrant	-	-
Financial index future	(55,017)	-
Contracts for differences	1,538	35,385
Right	(13,200)	-
	<u>(16,954)</u>	<u>33,844</u>
Commodity price		
Commodity option	45,106	-
Commodity future	117,204	-
Index option	7,538	-
	<u>169,848</u>	<u>-</u>
Foreign currency exchange rate		
Currency Future	11,039	-
Forward	13,611	2,452
	<u>24,650</u>	<u>2,452</u>
Total	<u>\$ 177,544</u>	<u>\$ 36,296</u>

5. Offsetting assets and liabilities

The Fund is required to disclose the impact of offsetting assets and liabilities represented in the statement of financial condition to enable users of the financial statements to evaluate the effect or potential effect of netting arrangements on its financial position for recognized assets and liabilities. These recognized assets and liabilities are financial instruments and derivative instruments that are either subject to an enforceable master netting arrangement or similar agreement or meet the following right of setoff criteria: the amounts owed by the Fund to another party are determinable, the Fund has the right to set off the amounts owed with the amounts owed by the other party, the Fund intends to set off, and the Fund's right of setoff is enforceable at law. As of July 1, 2014 the Fund does not hold derivative instruments that meet the right of setoff.

BOOTHBAY MULTI-STRATEGY FUND, LP

NOTES TO FINANCIAL STATEMENTS

6. Securities sold short

The Fund is subject to certain inherent risks arising from its investing activities of selling securities short. The ultimate cost to the Fund to acquire these securities may exceed the liability reflected in these financial statements.

7. Concentration of credit risk

In the normal course of business, the Fund maintained its cash balances in financial institutions, which at times may have exceeded federally insured limits. The Fund was subject to credit risk to the extent any financial institution with which it conducts business is unable to fulfill contractual obligations on its behalf. Management monitored the financial condition of such financial institutions and does not anticipate any losses from these counterparties.

8. Partners' capital

The Fund offered limited partnership to U.S. taxable investors who qualify as "accredited investors" and "qualified purchasers" with a minimum initial investment of \$1,000,000. The minimum investment for any investor may be modified by the General Partner in its sole discretion. The Fund generally offered interests to prospective investors or accepted additional contributions on the first day of any calendar month or on such other business day as the General Partner, in its sole and absolute discretion, may determine. Upon admission to the Fund a subscriber would become a limited partner of the Fund (a "Limited Partner"). A limited partner could make additional capital contributions to the Fund in amounts of at least \$100,000. All contribution amounts were subject to the discretion of the General Partner to accept lesser amounts. No partner was required or obligated at any time to contribute additional capital to the Fund.

The Fund would establish a capital account for each Limited Partner. Each Limited Partner's capital account would be credited with any capital contributions to the Fund from such Limited Partner and credited or debited, as the case may be, with any appreciation or depreciation thereon. At the end of each accounting period of the Fund, net profits or net losses (as applicable) would be allocated to the Limited Partners and the General Partner (collectively, the "Partners") in proportion to each partner's opening capital account balance in the Fund for such accounting period.

In accordance with the limited partnership agreement (the "Agreement"), profits and losses of the Fund were allocated to partners according to their respective interests in the Fund. Subject to certain limitations, generally 15% of the net profits allocated to the limited partners was reallocated to the General Partner as an "Incentive Allocation". There was Incentive Allocation of approximately \$74,000 for the period ending July 1, 2014.

8. Partners' capital (continued)

A Limited Partner could withdraw all or a part of the value in its capital account as of the last business day of any calendar quarter ("Withdrawal Date"). A Limited Partner could not withdraw any portion of its interest, including appreciation, if any, if such interest has not been invested in the Fund for at least twelve (12) months. A Limited Partner could withdraw all or a portion of the balance in its capital account as of the last day of any calendar quarter occurring prior to the twelve (12) months by paying a withdrawal fee (the "Early Withdrawal Charge") to the Fund. The Early Withdrawal Charge shall be four percent (4%) of the total amount withdrawn prior to the twelve (12) month period.

BOOTHBAY MULTI-STRATEGY FUND, LP

NOTES TO FINANCIAL STATEMENTS

9. Related party transactions

The Investment Manager was entitled to receive a quarterly management fee (the "Management Fee") calculated and payable quarterly in advance, equal to 0.25% (1.0% annualized) of the Fund's net asset value determined as of the beginning of each calendar quarter.

Certain limited partners had special management fee arrangements, performance arrangements, or redemption rights as provided for in the Agreement.

10. Administrative fee

Opus Fund Services (the "Administrator") served as the Fund's administrator and performed certain administrative and clerical services on behalf of the Fund until July 1, 2014.

11. Financial highlights

Financial highlights for the period January 1, 2014 through July 1, 2014 are as follows:

Total return	2.2
Reallocation to General Partner	<u>(0.2)</u>
Total return after incentive allocation	<u>2.0</u>
Ratio to average limited partners' capital	
Interest and dividend expenses	4.3 %
Total expenses other than interest and dividend	7.7
Reallocation to General Partner	<u>0.2</u>
Expenses and reallocation to General Partner	
Net expenses	<u>12.2 %</u>
Net investment income (loss)	<u>(6.5) %</u>

Financial highlights are calculated for the limited partner class taken as a whole. An individual limited partner's return and ratios may vary based on different performance and/or management fee arrangements, and the timing of capital transactions.

The ratios, excluding nonrecurring expenses and the incentive allocation to the General Partner, have been annualized. Total return has not been annualized.