UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 September 30, 2022

OR

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

For the transition period from to

Commission File Number: 001-40478

LifeStance Health Group, Inc.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**86-1832801**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
4800 N. Scottsdale Road Suite 6000 **Scottsdale, Arizona**	**85251**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (602) 767-2100

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	**LFST**	**The Nasdaq Stock Market LLC**

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. 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 (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, 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.

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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 1, 2022, the registrant had 375,986,406 shares of common stock, $0.01 par value per share, outstanding.

Table of Contents

		Page
PART I.	FINANCIAL INFORMATION	
Item 1.	Financial Statements (Unaudited)	1
	Consolidated Balance Sheets	2
	Consolidated Statements of Operations and Comprehensive Loss	3
	Consolidated Statements of Changes in Stockholders' Equity and Consolidated Statement of Changes in Redeemable Units and Stockholders'/Members' Equity	4
	Consolidated Statements of Cash Flows	6
	Notes to Consolidated Financial Statements	7
Item 2.	Management’s Discussion and Analysis of Financial Condition and Results of Operations	22
Item 3.	Quantitative and Qualitative Disclosures about Market Risk	32
Item 4.	Controls and Procedures	32
PART II.	OTHER INFORMATION	
Item 1.	Legal Proceedings	35
Item 1A.	Risk Factors	35
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	35
Item 3.	Defaults Upon Senior Securities	35
Item 4.	Mine Safety Disclosures	35
Item 5.	Other Information	35
Item 6.	Exhibits	36
Signatures		38

Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, and other future conditions. Forward-looking statements can be identified by words such as “anticipate,” “believe,” “envision,” “estimate,” “expect,” “intend,” “may,” “plan,” “predict,” “project,” “target,” “potential,” “will,” “would,” “could,” “should,” “continue,” “contemplate” and other similar expressions, although not all forward-looking statements contain these identifying words. For example, all statements we make relating to: our ability to grow our business, expand access to our patients and our payors and invest in our platform; our plan to partner with additional hospital systems, large primary care groups and other specialist groups; our expectation that we will continue to open de novo center and acquire new centers; our growth rates and financial results; our plans and objectives for future operations, growth or initiatives; and strategies are forward-looking statements.

We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements we make. We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements are subject to a number of risks, uncertainties, factors and assumptions described in Part II, Item 1A, “Risk Factors” and elsewhere in this Quarterly Report on Form 10-Q and our Annual Report on Form 10-K for the year ended December 31, 2021 filed with the Securities and Exchange Commission (the "SEC") on March 17, 2022, including, among other things:

- we may not grow at the rates we historically have achieved or at all, even if our key metrics may imply future growth, including if we are unable to successfully execute on our growth initiatives and business strategies;
- if we fail to manage our growth effectively, our expenses could increase more than expected, our revenue may not increase proportionally or at all, and we may be unable to execute on our business strategy;
- our ability to recruit new clinicians and retain existing clinicians;
- if reimbursement rates paid by third-party payors are reduced or if third-party payors otherwise restrain our ability to obtain or deliver care to patients, our business could be harmed;
- we conduct business in a heavily regulated industry and if we fail to comply with these laws and government regulations, we could incur penalties or be required to make significant changes to our operations or experience adverse publicity, which could have a material adverse effect on our business, results of operations and financial condition;
- we are dependent on our relationships with affiliated practices, which we do not own, to provide health care services, and our business would be harmed if those relationships were disrupted or if our arrangements with these entities became subject to legal challenges;
- we operate in a competitive industry, and if we are not able to compete effectively, our business, results of operations and financial condition would be harmed;
- the impact of health care reform legislation and other changes in the healthcare industry and in health care spending on us is currently unknown, but may harm our business;
- if our or our vendors’ security measures fail or are breached and unauthorized access to our employees’, patients’ or partners’ data is obtained, our systems may be perceived as insecure, we may incur significant liabilities, including through private litigation or regulatory action, our reputation may be harmed, and we could lose patients and partners;
- our business depends on our ability to effectively invest in, implement improvements to and properly maintain the uninterrupted operation and data integrity of our information technology and other business systems;
- our existing indebtedness could adversely affect our business and growth prospects; and
- the other factors set forth under “Risk Factors.”

The forward-looking statements in this Quarterly Report on Form 10-Q represent our views as of the date of this report. We undertake no obligation to publicly update any forward-looking statements whether as a result of new information, future developments or otherwise, except as required by law.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited).

LIFESTANCE HEALTH GROUP, INC.
CONSOLIDATED FINANCIAL STATEMENTS
For the quarterly period ended September 30, 2022

LIFESTANCE HEALTH GROUP, INC.
CONSOLIDATED BALANCE SHEETS
(unaudited)
(In thousands, except for par value)

	September 30, 2022	December 31, 2021
CURRENT ASSETS		
Cash and cash equivalents	$ 90,336	$ 148,029
Patient accounts receivable, net	113,284	76,078
Prepaid expenses and other current assets	48,967	42,413
Total current assets	252,587	266,520
NONCURRENT ASSETS		
Property and equipment, net	193,393	152,242
Intangible assets, net	272,473	300,355
Goodwill	1,249,793	1,204,544
Other noncurrent assets	11,416	3,448
Total noncurrent assets	1,727,075	1,660,589
Total assets	$ 1,979,662	$ 1,927,109
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$ 7,947	$ 14,152
Accrued payroll expenses	61,576	60,002
Other accrued expenses	29,303	26,510
Current portion of contingent consideration	10,816	14,123
Other current liabilities	2,630	1,965
Total current liabilities	112,272	116,752
NONCURRENT LIABILITIES		
Long-term debt, net	212,042	157,416
Other noncurrent liabilities	66,956	50,325
Contingent consideration, net of current portion	1,481	3,307
Deferred tax liability, net	55,408	54,281
Total noncurrent liabilities	335,887	265,329
Total liabilities	$ 448,159	$ 382,081
COMMITMENTS AND CONTINGENCIES (see Note 14)		
STOCKHOLDERS' EQUITY		
Preferred stock – par value $0.01 per share; 25,000 shares authorized as of September 30, 2022 and December 31, 2021; 0 shares issued and outstanding as of September 30, 2022 and December 31, 2021	—	—
Common stock – par value $0.01 per share; 800,000 shares authorized as of September 30, 2022 and December 31, 2021; 376,042 and 374,255 shares issued and outstanding as of September 30, 2022 and December 31, 2021, respectively	3,761	3,743
Additional paid-in capital	2,050,537	1,898,357
Accumulated other comprehensive income	3,185	—
Accumulated deficit	(525,980)	(357,072)
Total stockholders' equity	1,531,503	1,545,028
Total liabilities and stockholders' equity	$ 1,979,662	$ 1,927,109

The accompanying Notes are an integral part of these Unaudited Consolidated Financial Statements.

LIFESTANCE HEALTH GROUP, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(unaudited)
(In thousands, except for Net Loss per Share)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	**2021**	**2022**	**2021**
TOTAL REVENUE	$ 217,560	$ 173,835	$ 630,182	$ 477,516
OPERATING EXPENSES				
Center costs, excluding depreciation and amortization shown separately below	157,267	121,783	455,857	330,258
General and administrative expenses	81,248	162,943	288,176	281,073
Depreciation and amortization	17,884	13,777	50,311	38,779
Total operating expenses	$ 256,399	$ 298,503	$ 794,344	$ 650,110
LOSS FROM OPERATIONS	$ (38,839)	$ (124,668)	$ (164,162)	$ (172,594)
OTHER INCOME (EXPENSE)				
Gain (loss) on remeasurement of contingent consideration	1,176	(906)	562	(1,463)
Transaction costs	(210)	(126)	(507)	(3,656)
Interest expense	(4,189)	(3,503)	(14,763)	(35,309)
Other expense	(144)	—	(144)	(1,445)
Total other expense	$ (3,367)	$ (4,535)	$ (14,852)	$ (41,873)
LOSS BEFORE INCOME TAXES	(42,206)	(129,203)	(179,014)	(214,467)
INCOME TAX BENEFIT	4,353	8,751	10,106	15,300
NET LOSS	$ (37,853)	$ (120,452)	$ (168,908)	$ (199,167)
Accretion of Redeemable Class A units	—	—	—	(36,750)
NET LOSS AVAILABLE TO COMMON STOCKHOLDERS/MEMBERS	$ (37,853)	$ (120,452)	$ (168,908)	$ (235,917)
NET LOSS PER SHARE, BASIC AND DILUTED	(0.11)	(0.35)	(0.48)	(0.73)
Weighted-average shares used to compute basic and diluted net loss per share	357,520	343,394	354,057	321,283
NET LOSS	$ (37,853)	$ (120,452)	$ (168,908)	$ (199,167)
OTHER COMPREHENSIVE INCOME				
Unrealized gains on cash flow hedge, net of tax	3,185	—	3,185	—
COMPREHENSIVE LOSS	$ (34,668)	$ (120,452)	$ (165,723)	$ (199,167)

The accompanying Notes are an integral part of these Unaudited Consolidated Financial Statements.

LIFESTANCE HEALTH GROUP, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(unaudited)
(In thousands)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balances at June 30, 2022	376,181	$ 3,763	$ 2,015,665	$ —	$ (488,127)	$ 1,531,301
Net loss	—	—	—	—	(37,853)	(37,853)
Issuance of common stock upon vesting of restricted stock units	46	—	—	—	—	—
Forfeitures	(185)	(2)	(863)	—	—	(865)
Other comprehensive income	—	—	—	3,185	—	3,185
Stock-based compensation expense	—	—	35,735	—	—	35,735
Balances at September 30, 2022	376,042	$ 3,761	$ 2,050,537	$ 3,185	$ (525,980)	$ 1,531,503

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balances at June 30, 2021	374,149	$ 3,742	$ 1,669,480	$ (128,590)	$ 1,544,632
Net loss	—	—	—	(120,452)	(120,452)
Stock-based compensation expense	—	—	120,689	—	120,689
Balances at September 30, 2021	374,149	$ 3,742	$ 1,790,169	$ (249,042)	$ 1,544,869

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balances at December 31, 2021	374,255	$ 3,743	$ 1,898,357	$ —	$ (357,072)	$ 1,545,028
Net loss	—	—	—	—	(168,908)	(168,908)
Issuance of common stock upon vesting of restricted stock units	2,000	20	(57)	—	—	(37)
Forfeitures	(213)	(2)	(1,048)	—	—	(1,050)
Other comprehensive income	—	—	—	3,185	—	3,185
Stock-based compensation expense	—	—	153,285	—	—	153,285
Balances at September 30, 2022	376,042	$ 3,761	$ 2,050,537	$ 3,185	$ (525,980)	$ 1,531,503

The accompanying Notes are an integral part of these Unaudited Consolidated Financial Statements.

LIFESTANCE HEALTH GROUP, INC.
CONSOLIDATED STATEMENT OF CHANGES IN REDEEMABLE UNITS AND STOCKHOLDERS'/MEMBERS' EQUITY
(unaudited)
(In thousands)

	Class A Redeemable Units		Class A-1 Common Units		Class A-2 Common Units		Class B Common Units		Common Stock		Additional Paid-in	Accumulated	Total Stockholders'/ Members'
	Units	Amount	Units	Amount	Units	Amount	Units	Amount	Units	Amount	Capital	Deficit	Equity
Balances at December 31, 2020	35,000	$ 35,000	959,563	$ 959,563	49,946	$ 49,946	—	$ —	—	$ —	$ 1,452	$ (13,125)	$ 997,836
Net loss	—	—	—	—	—	—	—	—	—	—	—	(199,167)	(199,167)
Issuance of common units	—	—	—	—	962	1,000	—	—	—	—	—	—	1,000
Accretion of Redeemable Class A Units	—	36,750	—	—	—	—	—	—	—	—	—	(36,750)	(36,750)
Issuance of common units for acquisitions of businesses	—	—	—	—	725	1,486	—	—	—	—	—	—	1,486
Vested Class B Profits Interests	—	—	—	—	—	—	17,920	—	—	—	—	—	—
Conversion of Redeemable Class A Units into common stock upon closing of initial public offering	(35,000)	(71,750)	—	—	—	—	—	—	10,234	102	71,648	—	71,750
Conversion of common units into common stock upon closing of initial public offering	—	—	(959,563)	(959,563)	(51,633)	(52,432)	—	—	295,663	2,957	1,009,038	—	—
Conversion of vested Class B Profits Interests to common stock upon closing of initial public offering	—	—	—	—	—	—	(17,920)	—	4,186	42	(42)	—	—
Conversion of unvested Class B Profits Interests to restricted stock upon closing of initial public offering	—	—	—	—	—	—	—	—	30,766	308	(308)	—	—
Issuance of common stock upon closing of initial public offering, net	—	—	—	—	—	—	—	—	32,800	328	548,577	—	548,905
Endowment of shares to the LifeStance Health Foundation	—	—	—	—	—	—	—	—	500	5	8,995	—	9,000
Stock and unit-based compensation expense	—	—	—	—	—	—	—	—	—	—	150,809	—	150,809
Balances at September 30, 2021	—	$ —	—	$ —	—	$ —	—	$ —	374,149	$ 3,742	$ 1,790,169	$ (249,042)	$ 1,544,869

The accompanying Notes are an integral part of these Unaudited Consolidated Financial Statements.

LIFESTANCE HEALTH GROUP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
(In thousands)

	Nine Months Ended September 30,	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (168,908)	$ (199,167)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	50,311	38,779
Stock and unit-based compensation	152,235	150,809
Loss on debt extinguishment	3,380	5,620
Amortization of discount and debt issue costs	1,351	1,498
(Gain) loss on remeasurement of contingent consideration	(562)	1,463
Loss on disposal of assets	144	—
Endowment of shares to LifeStance Health Foundation	—	9,000
Change in operating assets and liabilities, net of businesses acquired:		
Patient accounts receivable, net	(34,606)	(20,711)
Prepaid expenses and other current assets	(5,811)	(32,888)
Accounts payable	1,109	(4,613)
Accrued payroll expenses	(588)	15,910
Other accrued expenses	18,816	13,085
Net cash provided by (used in) operating activities	$ 16,871	$ (21,215)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(68,871)	(55,815)
Acquisitions of businesses, net of cash acquired	(40,294)	(58,699)
Net cash used in investing activities	$ (109,165)	$ (114,514)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from initial public offering, net of underwriters discounts and commissions and deferred offering costs	—	548,905
Issuance of common units to new investors	—	1,000
Proceeds from long-term debt, net of discount	237,474	98,800
Payments of debt issue costs	(7,266)	(2,360)
Payments of long-term debt	(181,230)	(311,060)
Prepayment for debt paydown	(1,609)	—
Payments of contingent consideration	(12,290)	(6,262)
Taxes related to net share settlement of equity awards	(478)	—
Net cash provided by financing activities	$ 34,601	$ 329,023
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(57,693)	193,294
Cash and Cash Equivalents - Beginning of period	148,029	18,829
CASH AND CASH EQUIVALENTS – END OF PERIOD	$ 90,336	$ 212,123
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest	$ 9,518	$ 28,217
Cash paid for taxes, net of refunds	$ 1,780	$ 908
SUPPLEMENTAL DISCLOSURES OF NON CASH INVESTING AND FINANCING ACTIVITIES		
Equipment financed through capital leases	$ 264	$ 14
Contingent consideration incurred in acquisitions of businesses	$ 7,719	$ 5,514
Acquisition of property and equipment included in liabilities	$ 8,607	$ 8,936
Issuance of common units for acquisitions of businesses	$ —	$ 1,486

The accompanying Notes are an integral part of these Unaudited Consolidated Financial Statements.

NOTE 1 NATURE OF THE BUSINESS

Description of Business

LifeStance Health Group, Inc. (“LifeStance Health Group”) was formed as a Delaware corporation on January 28, 2021 for the purpose of completing an initial public offering (“IPO”) and related transactions in order to carry on the business of LifeStance TopCo, L.P. (“LifeStance TopCo”) and subsidiaries. LifeStance Health Group is the sole equity holder of LifeStance TopCo and operates and controls all of the business and affairs. As a result, LifeStance Health Group consolidates the financial results of LifeStance TopCo, its wholly-owned subsidiaries and variable interest entities. LifeStance Health Group and LifeStance TopCo are collectively referred to herein as the “Company”, "LifeStance" or "LifeStance Health".

The Company operates as a provider of outpatient mental health services, spanning psychiatric evaluations and treatment, psychological and neuropsychological testing, and individual, family and group therapy.

Initial Public Offering

On June 14, 2021, the Company completed its IPO in which it issued and sold 32,800 shares of common stock and affiliates of TPG Inc. ("TPG"), affiliates of Silversmith Capital Partners ("Silversmith"), and affiliates of Summit Partners ("Summit") (collectively, the "Selling Shareholders") sold 7,200 shares of common stock at an offering price of $18.00 per share. The Selling Shareholders granted the underwriters an option to purchase an additional 6,000 shares of common stock. The underwriters exercised in full their option to purchase additional shares, and the sale of the option shares was completed on June 25, 2021. The Company received net proceeds of $548,905, after deducting underwriting discounts and commissions of $32,472 and deferred offering costs of $9,023. The Company did not receive any proceeds from the sale of shares by the Selling Stockholders, including the option shares. Deferred, direct offering costs were capitalized and consisted of fees and expenses incurred in connection with the sale of the Company’s common stock in the IPO, including legal, accounting, printing and other offering related costs. Upon completion of the IPO, these deferred offering costs were reclassified from current assets to stockholders’ equity and recorded against the net proceeds from the offering.

Prior to the IPO, each of the holders of partnership interests in LifeStance TopCo contributed its partnership interests to LifeStance Health Group in exchange for shares of common stock (including shares of common stock issued as restricted stock subject to vesting) of LifeStance Health Group (the "Organizational Transactions"). Following the contribution of partnership interests, LifeStance TopCo became wholly-owned by LifeStance Health Group. The number of shares of common stock that each such holder of partnership interests in LifeStance TopCo received was determined based on the value that such holder would have received under the distribution provisions of the limited partnership agreement of LifeStance TopCo, with shares of common stock valued by reference to the IPO price. All 1,046,196 of LifeStance TopCo’s outstanding redeemable and common Class A units and 152,620 Class B units (the "Class B Common Units", "Profits Interests Units" or "Profits Interests") were contributed in exchange for 310,083 shares of common stock of LifeStance Health Group plus 30,766 shares of common stock issued as restricted stock ("RSAs") subject to vesting.

In connection with the IPO, the Company established the LifeStance Health Foundation, a non-profit organization that focuses on youth mental health, and the mental health of underrepresented minority communities, the underemployed and the uninsured. Concurrently with the closing of the IPO, the Company endowed the LifeStance Health Foundation through a combination of $1,000 in cash and 500 shares of its common stock, representing aggregate cash and equity value of $10,000.

Following the effective date of the IPO, LifeStance Health Group consolidates the financial results of LifeStance TopCo, its wholly-owned subsidiaries and variable interest entities ("VIEs") and the financial statements for the periods prior to the IPO have been adjusted to combine the previously separate entities for presentation purposes. Prior to the IPO restructuring transactions, LifeStance Health Group had no operations.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company's significant accounting policies are discussed in Note 2 "Summary of Significant Accounting Policies" in Item 15 of its Annual Report on Form 10-K for the year ended December 31, 2021. During the nine months ended September 30, 2022, there have been no significant changes to these policies other than the additions to the stock and unit-based compensation policy further described below.

Basis of Presentation and Principles of Consolidation

The Company has prepared the accompanying unaudited consolidated financial statements pursuant to the rules and regulations of the SEC regarding interim financial reporting, which include the accounts of LifeStance Health Group, LifeStance TopCo, its wholly-owned subsidiaries and VIEs in which LifeStance TopCo has an interest and is the primary beneficiary. Pursuant to these rules and

regulations, the Company has omitted certain information and footnote disclosures it normally includes in its annual consolidated financial statements prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). All intercompany balances and transactions have been eliminated in consolidation. In management’s opinion, the Company has made all adjustments (consisting only of normal, recurring adjustments, except as otherwise indicated) necessary to fairly state its consolidated financial condition, results of operations and cash flows. The Company’s interim period operating results do not necessarily indicate the results that may be expected for any other interim period or the full fiscal year. These financial statements and accompanying notes should be read in conjunction with the consolidated financial statements and notes thereto in the Company’s audited financial statements for the year ended December 31, 2021 in the Company's Annual Report on Form 10-K.

On May 14, 2020, affiliates of TPG acquired the majority of the equity interests of LifeStance Health Holdings, Inc. through certain newly formed subsidiaries ("TPG Acquisition"). Periods subsequent to the acquisition and prior to the IPO and restructuring transactions reflect the financial statements of LifeStance TopCo. Periods subsequent to the IPO and restructuring transactions reflect the financial statements of LifeStance Health Group. All periods subsequent to the TPG Acquisition have been presented as the financial statements of LifeStance Health Group.

Use of Accounting Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make a number of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Variable Interest Entities

The Company evaluates its ownership, contractual and other interests in entities to determine if it has any variable interest in a VIE. These evaluations are complex, involve judgment, and the use of estimates and assumptions based on available information. If the Company determines that an entity in which it holds a contractual or ownership interest is a VIE and that the Company is the primary beneficiary, the Company consolidates such entity in its consolidated financial statements. The primary beneficiary of a VIE is the party that meets both of the following criteria: (i) has the power to make decisions that most significantly affect the economic performance of the VIE; and (ii) has the obligation to absorb losses or the right to receive benefits that in either case could potentially be significant to the VIE. The Company performs ongoing reassessments of whether changes in the facts and circumstances regarding the Company’s involvement with a VIE will cause the consolidation conclusion to change.

The Company acquires and operates certain care centers which are deemed to be Friendly-Physician Entities (“FPEs”). As part of an FPE acquisition, the Company acquires 100% of the non-medical assets, however due to legal requirements the physician-owners must retain 100% of the equity interest. The Company’s agreements with FPEs generally consist of both a Management Service Agreement, which provides for various administrative and management services to be provided by the Company to the FPE, and Stock Transfer Restriction (“STR”) agreements with the physician-owners of the FPEs, which provide for the transition of ownership interests of the FPEs under certain conditions. The outstanding voting equity instruments of the FPEs are owned by the nominee shareholders appointed by the Company under the terms of the STR agreements. The Company has the right to receive income as an ongoing management fee, which effectively absorbs all of the residual interests and has also provided financial support through loans to the FPEs. The Company has exclusive responsibility for the provision of all nonmedical services including facilities, technology and intellectual property required for the day-to-day operation and management of each of the FPEs, and makes recommendations to the FPEs in establishing the guidelines for the employment and compensation of the physicians and other employees of the FPEs. In addition, the STR agreements provide that the Company has the right to designate a person(s) to purchase the equity interest of the FPE for a nominal amount in the event of a succession event at the Company’s discretion. Based on the provisions of these agreements, the Company determined that the FPEs are VIEs due to the equity holder having insufficient capital at risk, and the Company has a variable interest in the FPEs.

The contractual arrangements described above allow the Company to direct the activities that most significantly affect the economic performance of the FPEs. Accordingly, the Company is the primary beneficiary of the FPEs and consolidates the FPEs under the VIE model. Furthermore, as a direct result of nominal initial equity contributions by the physicians, the financial support the Company provides to the FPEs (e.g., loans) and the provisions of the contractual arrangements and nominee shareholder succession arrangements described above, the interests held by noncontrolling interest holders lack economic substance and do not provide them with the ability to participate in the residual profits or losses generated by the FPEs. Therefore, all income and expenses recognized by the FPEs are allocated to the Company. The Company does not hold interests in any VIEs for which the Company is not deemed to be the primary beneficiary.

As noted previously, the Company acquires 100% of the non-medical assets of the VIEs. The aggregate carrying values of the VIEs total assets and total liabilities not purchased by the Company but included on the consolidated balance sheets were not material at September 30, 2022 and December 31, 2021.

Stock and Unit-Based Compensation

Beginning in 2022, the Company granted restricted stock units ("RSUs") to certain employees and other service providers subject to certain service-based or service- and performance-based vesting conditions. The ultimate number of shares that are issued in respect of the performance-based RSUs are based on actual performance over a three or four-year performance period and ranging from zero to 100% of the performance-based RSUs subject to the award. Each fiscal year within the award period represents a separately vesting tranche of the award. For a portion of the performance-based RSUs, as the performance conditions have not been established beyond the first year of the award, a grant date has not yet been established for the remaining annual periods of these performance-based RSUs.

The performance-based RSUs are measured at fair value on their grant date. The related compensation expense for the performance awards is recognized on a straight line basis over the requisite service period for each separately vesting tranche of the award if and when the Company concludes that it is probable that the performance conditions will be achieved. At the end of each reporting period, the Company reevaluates the probability that the performance conditions will be achieved.

Beginning in 2022, the Company granted stock options to certain employees, which generally vest as one-third (1/3) of the underlying shares based on continued service over four years, with 25% of the time-based option shares vesting each year, and as to two-thirds (2/3) of the underlying shares subject to market-based vesting conditions over four years, with 25% of the market-based option shares vesting each year subject to attainment of specified performance thresholds. Options generally expire ten years from the date of grant. The exercise price for each stock option award is equal to the closing price of a share of the Company's common stock on the grant date of the award.

For stock option awards issued with only time-based vesting conditions, the fair value is estimated on the date of grant using a Black-Scholes option-pricing model, which requires inputs based on certain subjective assumptions, including the expected stock price volatility, the expected term of the option, the risk-free interest rate for a period that approximates the expected term of the option, and the Company's expected dividend yield.

For stock option awards issued with time- and market-based vesting conditions, the grant date fair value is determined through the use of a Monte Carlo simulation that incorporates into the valuation the possibility that the market condition may not be satisfied. A Monte Carlo simulation requires the use of various assumptions, including the underlying stock price, volatility and the risk-free interest rate as of the valuation date, corresponding to the length of the time remaining in the performance period, and expected dividend yield. The expected term represents the derived service period for the respective tranches, which is the longer of the specified service period or the period in which the market conditions are expected to be met.

Emerging Growth Company Status

The Company is an emerging growth company, as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act until such time as those standards apply to private companies. The Company has elected to use this extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date that the Company (i) is no longer an emerging growth company or (ii) affirmatively and irrevocably opts out of the extended transition period provided in the JOBS Act. As a result, the Company's unaudited consolidated financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates.

New Accounting Pronouncements Not Yet Adopted

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)* and also issued subsequent amendments to the initial guidance: ASU 2017-13, ASU 2018-10, ASU 2018-11, ASU 2018-20, ASU 2019-01, ASU 2020-02, and ASU 2020-05 (collectively, “ASC 842”). ASC 842 outlines a comprehensive lease accounting model and supersedes the current lease guidance. The new guidance requires lessees to recognize lease liabilities and corresponding right-of-use assets for all leases with lease terms of greater than 12 months. It also changes the definition of a lease and expands the disclosure requirements of lease arrangements. ASC 842 is effective for private entities for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022, inclusive of a one year deferral provided by ASU 2020-05. ASC 842 must be adopted using a modified retrospective method and early adoption is permitted. The Company is in the process of determining the impact of the adoption of ASC 842 on the Company’s consolidated financial statements and disclosures. The Company has organized an implementation group to ensure the completeness of its lease information, analyze the appropriate classification of leases under the new standard, implement a leasing software system and develop new processes to execute, approve and classify leases on an ongoing basis. However, given the Company’s current operating lease portfolio (see Note 13 and Note 14) the Company expects the recognition of the right-of-use assets and lease liabilities to have a material impact on the Company’s consolidated balance sheets.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments (Topic 326)-Measurement of Credit Losses on Financial Instruments* (“ASU 2016-13”). ASU 2016-13 requires an entity to utilize a new impairment model known as the current expected

credit loss ("CECL") model to estimate its lifetime "expected credit loss" and record an allowance that, when deducted from the amortized cost basis of the financial asset, presents the net amount expected to be collected on the financial asset. The CECL model is expected to result in more timely recognition of credit losses. ASU 2016-13 also requires new disclosures for financial assets measured at amortized cost, loans and available-for-sale debt securities. ASU 2016-13 is effective for private entities for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. ASU 2016-03 will apply as a cumulative-effect adjustment to retained earnings as of the beginning of the first reporting period in which the guidance is adopted. The Company is in the process of evaluating the impact of the adoption of ASU 2016-13 on the Company's consolidated financial statements and disclosures.

In December 2019, the FASB issued ASU 2019-12, *Simplifying the Accounting for Income Taxes* ("ASU 2019-12"). ASU 2019-12 simplifies the accounting for income taxes by removing certain exceptions to the general principles in Topic 740. The amendments also improve consistent application of and simplify GAAP for other areas of Topic 740 by clarifying and amending existing guidance. ASU 2019-12 is effective for private entities for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. Early adoption of the amendments is permitted, including adoption in any interim period for public business entities for periods for which financial statements have not yet been issued and all other entities for periods for which financial statements have not yet been made available for issuance. The Company is in the process of evaluating the impact of the adoption of ASU 2019-12 on the Company's consolidated financial statements and disclosures.

NOTE 3 ACQUISITIONS

During the three and nine months ended September 30, 2022 and 2021, the Company completed the acquisitions of 3, 6, 9 and 17 outpatient mental health practices, respectively. The Company accounted for the acquisitions as business combinations using the acquisition method of accounting. The purchase price was allocated to the tangible and intangible assets acquired and liabilities assumed based on their estimated fair values as of the respective acquisition dates.

Total consideration transferred for these acquisitions consisted of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Cash consideration	$ 5,099	$ 21,108	$ 41,024	$ 62,420
Cash consideration to be paid	251	—	251	325
Contingent consideration, at initial fair value	2,036	2,775	7,719	5,514
Class A-2 common units	—	—	—	1,486
Total consideration transferred	**$ 7,386**	**$ 23,883**	**$ 48,994**	**$ 69,745**

The results of the acquired businesses have been included in the Company's consolidated financial statements beginning as of their acquisition dates. It is impracticable to provide historical supplemental pro forma financial information along with revenue and earnings subsequent to the acquisition dates for acquisitions during the period due to a variety of factors, including access to historical information and the operations of acquirees being integrated within the Company shortly after closing and not operating as discrete entities within the Company's organizational structure.

Fair Values of Assets Acquired and Liabilities Assumed

The following table summarizes the preliminary fair values of assets acquired and liabilities assumed as of the dates of acquisition:

	Three Months Ended September 30,		Nine Months Ended September 30,	
Allocation of Purchase Price	2022	2021	2022	2021
Cash	$ 173	$ 820	$ 1,024	$ 2,868
Patient accounts receivable	649	963	1,842	4,762
Property and equipment	26	89	79	783
Prepaid expenses and other current assets	351	86	581	313
Other noncurrent assets	10	73	66	164
Intangible assets	589	1,260	2,272	4,321
Goodwill	6,394	22,198	45,621	63,485
Total assets acquired	8,192	25,489	51,485	76,696
Total liabilities assumed	806	1,606	2,491	6,951
Fair value of net assets	**$ 7,386**	**$ 23,883**	**$ 48,994**	**$ 69,745**

The fair value of assets and liabilities other than intangible assets approximate the carrying amounts as of acquisition dates.

The following table summarizes the fair values of acquired intangible assets as of the dates of acquisition:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Regional trade names [(1)]	$ 362	$ 775	$ 1,259	$ 2,691
Non-competition agreements [(2)]	227	485	1,013	1,630
Total	**$ 589**	**$ 1,260**	**$ 2,272**	**$ 4,321**

(1) Useful lives for regional trade names are 5 years.
(2) Useful lives for non-competition agreements are 5 years.

Contingent Consideration

Under the provisions of the acquisition agreements, the Company may pay additional cash consideration in the form of earnouts, contingent upon the acquirees achieving certain performance and operational targets (see Note 6).

The following table summarizes the maximum contingent consideration based on the acquisition agreements:

	Three Months Ended September 30,		Nine Months Ended September 30,	
Contingent consideration	2022	2021	2022	2021
Maximum contingent consideration based on acquisition agreements	$ 3,950	$ 3,400	$ 11,150	$ 6,750

Goodwill

Goodwill represents the excess of the purchase price over the net identifiable assets acquired and liabilities assumed. Goodwill is primarily attributable to the assembled workforce, customer and payor relationships and anticipated synergies and economies of scale expected from the integration of the businesses. The synergies include certain cost savings, operating efficiencies, and other strategic benefits projected to be achieved as a result of the acquisition. Goodwill deductible for tax purposes is $42,485 from the acquisitions in 2022.

NOTE 4 INTANGIBLE ASSETS

Intangible assets consist of the following:

September 30, 2022	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Weighted Average Useful Life (Years)
Regional trade names	$ 35,676	$ (14,884)	$ 20,792	5.0
LifeStance trade names	235,500	(24,941)	210,559	22.5
Non-competition agreements	93,763	(52,641)	41,122	4.2
Total intangible assets	**$ 364,939**	**$ (92,466)**	**$ 272,473**	

December 31, 2021	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Weighted Average Useful Life (Years)
Regional trade names	$ 34,417	$ (9,633)	$ 24,784	5.0
LifeStance trade names	235,500	(17,090)	218,410	22.5
Non-competition agreements	92,750	(35,589)	57,161	4.2
Total intangible assets	**$ 362,667**	**$ (62,312)**	**$ 300,355**	

Gross carrying amount is based on the fair value of the intangible assets determined at acquisitions. Total intangible asset amortization expense consists of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Amortization expense	$ 10,204	$ 9,812	$ 30,154	$ 29,135

NOTE 5 PROPERTY AND EQUIPMENT, NET

Property and equipment, net consists of the following:

	September 30, 2022	December 31, 2021
Leasehold improvements	$ 146,563	$ 87,807
Computers and peripherals	28,605	22,038
Furniture, fixtures and equipment	35,714	20,286
Medical equipment	951	1,018
Construction in process	20,987	40,619
Total	$ 232,820	$ 171,768
Less: Accumulated depreciation	(39,427)	(19,526)
Total property and equipment, net	**$ 193,393**	**$ 152,242**

Depreciation expense consists of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Depreciation expense	$ 7,680	$ 3,965	$ 20,157	$ 9,644

NOTE 6 FAIR VALUE MEASUREMENTS

Contingent Consideration

The Company measures its contingent consideration liability at fair value on a recurring basis using Level 3 inputs. The Company estimates the fair value of the contingent consideration liability based on the likelihood and timing of the contingent earn-out payments. The following is the summary of the significant assumptions used for the fair value measurement of the contingent consideration liability as of September 30, 2022 and December 31, 2021.

Valuation Technique	Range of Significant Assumptions		
		September 30, 2022	December 31, 2021
Probability-weighted analysis	Probability	0% - 100%	50% - 100%
based earn-outs	Discount rate	6.00%	8.60%

As of September 30, 2022 and December 31, 2021, the Company adjusted the fair value of the contingent consideration liability due to remeasurement at the reporting date. See Note 14 for discussion of payment of contingent consideration made related to acquisitions, fair value adjustments, and a roll-forward of the contingent consideration balance from the prior year.

As disclosed in Note 3, the Company acquired several outpatient mental health practices during the three and nine months ended September 30, 2022 and 2021. The values of net tangible assets acquired, and the resulting goodwill and other intangible assets, were recorded at fair value. The majority of the tangible assets acquired and liabilities assumed were recorded at their carrying values as of the respective dates of acquisition, as their carrying values approximated their fair values due to their short-term nature. The fair values of goodwill and other intangible assets acquired in these acquisitions were estimated by management or with the assistance of a third-party valuation expert primarily based on the income approach. The income approach estimates fair value based on the present value of the cash flows that the assets are expected to generate in the future. The Company developed estimates for the expected future cash flows and discount rates used in the present value calculations. Other than assets acquired and liabilities assumed in these acquisitions, there were no material assets or liabilities measured at fair value on a nonrecurring basis during the periods presented.

Hedging Activities

The Company uses derivative financial instruments, including an interest rate swap, for hedging and non-trading purposes to manage its exposure to changes in interest rates. The Company entered into a hedge transaction (interest rate swap) using a derivative financial instrument for the purpose of hedging the Company’s exposure to interest rate risks, which the contractual terms of the hedged instrument closely mirror those of the hedged item, providing a high degree of risk reduction and correlation. The objective of entering into the interest rate swap is to eliminate the variability of cash flows in the Secured Overnight Financing Rate ("SOFR") interest payments associated with variable-rate loan over the life of the loan. In August 2022, the Company entered into an interest rate swap agreement to pay a fixed rate of 3.24% on a total notional value of $189,000 of debt. As a result of the interest rate swap, 94.5% of the term loan previously exposed to interest rate risk from changes in SOFR is now hedged against the interest rate swap at a fixed rate. The interest rate swap matures on September 30, 2025. As of September 30, 2022, the notional value was $189,000. As changes in interest rates impact the future cash flow of interest payments, the hedge provides a synthetic offset to interest rate movements.

The Company used the income approach to value the derivative for the interest rate swap using observable market data for all significant inputs and standard valuation techniques to convert future amounts to a single present value amount, assuming that

participants are motivated but not compelled to transact. This derivative instrument (interest rate swap) is designated and qualifies as a cash flow hedge, with the entire gain or loss on the derivative reported as a component of other comprehensive income. Amounts recorded in accumulated other comprehensive income are released to earnings in the same period that the hedged transaction impacts consolidated earnings within interest expense. The cash flows from the derivative treated as a cash flow hedge is classified in the Company's consolidated statements of cash flows in the same category as the item being hedged.

The following table summarizes the location of the interest rate swap in the consolidated balance sheets as of September 30, 2022:

	Consolidated balance sheets location	September 30, 2022
Interest rate swap	Other noncurrent assets	$ 4,311

The amount of estimated cash flow hedge unrealized gains and losses that are expected to be reclassified to earnings in the next twelve months is not material.

Fair Value Measured on a Recurring Basis

The following table presents information about the Company's assets and liabilities that are measured at fair value on a recurring basis:

September 30, 2022	Level 1	Level 2	Level 3	Total
Financial Instrument				
Interest rate swap asset	$ —	$ 4,311	$ —	$ 4,311
Contingent consideration liability	$ —	$ —	$ 12,297	$ 12,297

December 31, 2021	Level 1	Level 2	Level 3	Total
Financial Instrument				
Contingent consideration liability	$ —	$ —	$ 17,430	$ 17,430

NOTE 7 GOODWILL

Goodwill consists of the following:

	Amount
Balance as of December 31, 2021	$ 1,204,544
Business acquisitions (Note 3)	45,621
Measurement period adjustments	(372)
Balance as of September 30, 2022	**$ 1,249,793**

NOTE 8 LONG-TERM DEBT

On May 14, 2020, in connection with the TPG Acquisition, the Company entered into the Credit Agreement among LifeStance Health Holdings, Inc., Lynnwood Intermediate Holdings, Inc., Capital One, National Association, and each lender party thereto (the "May 2020 Credit Agreement"). The term loans and delayed draw loans were payable in quarterly principal and interest payments through May 14, 2026.

On May 4, 2022, the Company entered into a credit agreement (the "2022 Credit Agreement") among LifeStance Health Holdings, Inc., Lynnwood Intermediate Holdings, Inc., Capital One, National Association, and each lender party thereto. The 2022 Credit Agreement established commitments in respect of a term loan facility of $200,000, a revolving loan facility of up to $50,000 and a delayed draw term loan facility of up to $100,000. The commitments under the term loan facility and the revolving facility were available to be drawn on May 16, 2022. The Company borrowed $200,000 in term loans on that date, with a maturity date of May 16, 2028. On June 29, 2022, the Company drew $11,000 from the revolving loan and on July 5, 2022, the Company converted the outstanding balance on the revolving loan to a delayed draw term loan with a maturity date of May 16, 2028. The remaining commitments under the delayed draw term loan facility are scheduled to terminate on the second anniversary of May 16, 2022. The loans under the term loan facility and the delayed draw term loan facility bear interest at a rate per annum equal to (x) adjusted term SOFR (which adjusted term SOFR is subject to a minimum of 0.75%) plus an applicable margin of 4.50% or (y) an alternate base rate (which will be the highest of (i) the prime rate, (ii) 0.50% above the federal funds effective rate and (iii) one-month adjusted term SOFR (which adjusted term SOFR is subject to a minimum of 0.75%) plus 1.00%) plus an applicable margin of 3.50%. The term loans are collateralized by substantially all of the assets of the Company. The revolving loan has interest only payments until the maturity date of May 16, 2027.

The proceeds from the 2022 Credit Agreement term loans were used to repay in full and extinguish the May 2020 Credit Agreement. The 2022 Credit Agreement term loans are treated as a new issuance of debt. In relation to the May 2020 Credit Agreement, the

Company recognized an extinguishment of debt charge within interest expense of $3,380, consisting of $1,609 prepayment charge and the write-off of unamortized debt issue costs associated with the extinguished term loans of $1,771.

In September 2022, the Company drew $3,500 from the aforementioned delayed draw term loan commitment.

The 2022 Credit Agreement requires the Company to maintain compliance with certain restrictive financial covenants related to earnings, leverage ratios, and other financial metrics. The Company was in compliance with all debt covenants at September 30, 2022 and December 31, 2021.

Long-term debt consists of the following:

	September 30, 2022	December 31, 2021
Term loans	$ 200,000	$ 70,665
Delayed Draw loans	14,500	90,565
Revolving loan	6,000	—
Total long-term debt	220,500	161,230
Less: Current portion of long-term debt	(2,145)	(1,323)
Less: Unamortized discount and debt issue costs [(1)]	(6,313)	(2,491)
Total Long-Term Debt, Net of Current Portion and Unamortized Discount and Debt Issue Costs	**$ 212,042**	**$ 157,416**

(1) The unamortized debt issue costs related to long-term debt are presented as a reduction of the carrying amount of the corresponding liabilities on the unaudited consolidated balance sheets. Unamortized debt issue costs related to delayed draw term loan commitments and revolving loans are presented within other noncurrent assets on the unaudited consolidated balance sheets.

The current portion of long-term debt is included within other current liabilities on the unaudited consolidated balance sheets.

Interest expense consists of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Interest expense	$ 4,189	$ 3,503	$ 14,763	$ 35,309

Future principal payments on long-term debt are as follows:

Year Ended December 31,	Amount
Remainder of 2022	$ 536
2023	2,145
2024	2,145
2025	2,145
2026	2,145
Thereafter	211,384
Total	**$ 220,500**

The fair value of long-term debt is based on the present value of future payments discounted by the market interest rates or the fixed rates based on current rates offered to the Company for debt with similar terms and maturities, which is a Level 2 fair value measurement. Long-term debt is presented at carrying value on the unaudited consolidated balance sheets. The fair value of long-term debt at September 30, 2022 and December 31, 2021 was $210,426 and $186,497, respectively.

Revolving Loan

Under the May 2020 Credit Agreement, the Company had a revolving loan commitment from Capital One in the amount of $20,000.

Under the 2022 Credit Agreement, the Company has a revolving loan commitment from Capital One in the amount of $50,000. Any borrowing on the revolving loan under the 2022 Credit Agreement is due in full on May 16, 2027. The revolving loan bears interest at a rate per annum equal to (x) adjusted term SOFR plus an applicable margin of 3.25% or (y) an alternate base rate (which will be the highest of (i) the prime rate, (ii) 0.50% above the federal funds effective rate and (iii) one-month adjusted term SOFR plus 1.00%) plus an applicable margin of 2.25%. The unused revolving loan incurs a commitment fee of 0.50% per annum.

In September 2022, the Company drew $6,000 from the aforementioned revolving loan under the 2022 Credit Agreement.

NOTE 9 TOTAL REVENUE

The Company's total revenue is dependent on a series of contracts with third-party payors, which is typical for providers in the health care industry. The Company has determined that the nature, amount, timing and uncertainty of revenue and cash flows are affected by the payor mix with third-party payors, which have different reimbursement rates.

The payor mix of fee-for-service revenue from patients and third-party payors consists of the following:

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2022		2021		2022		2021	
	Amount	% of Total Revenue	Amount	% of Total Revenue	Amount	% of Total Revenue	Amount	% of Total Revenue
Commercial	$ 196,013	91 %	$ 158,035	91 %	$ 568,683	91 %	$ 433,684	91 %
Government	9,648	4 %	8,731	5 %	27,544	4 %	20,942	4 %
Self-pay	9,489	4 %	5,948	3 %	26,587	4 %	19,230	4 %
Total patient service revenue	215,150	99 %	172,714	99 %	622,814	99 %	473,856	99 %
Nonpatient service revenue	2,410	1 %	1,121	1 %	7,368	1 %	3,660	1 %
Total	**$ 217,560**	**100 %**	**$ 173,835**	**100 %**	**$ 630,182**	**100 %**	**$ 477,516**	**100 %**

Among the commercial payors, the table below represents insurance companies that individually represented 10% or more of revenue:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Top one payor	19 %	19 %	19 %	19 %
Top two payor	14 %	18 %	14 %	17 %
Top three payor	—	12 %	—	13 %

NOTE 10 INCOME TAXES

The benefit for income taxes is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Benefit for income taxes	$ 4,353	$ 8,751	$ 10,106	$ 15,300

The effective tax rates are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Effective tax rate	10.3 %	6.8 %	5.6 %	7.1 %

The difference between the Company's effective tax rate and the U.S. statutory tax rate of 21% was primarily the result of non-deductible equity awards. The Company regularly evaluates the realizability of its deferred tax assets and establishes a valuation allowance if it is more likely than not that some or all the deferred tax assets will not be realized. The Company had a valuation allowance of $239 and $0 as of September 30, 2022 and December 31, 2021, respectively.

NOTE 11 STOCK AND UNIT-BASED COMPENSATION

2021 Equity Incentive Plan

Effective June 9, 2021, the Company's Board of Directors (the "Board") and its stockholders as of that date adopted and approved the LifeStance Health Group, Inc. 2021 Equity Incentive Plan (the "2021 Equity Incentive Plan"). All equity-based awards subsequent to June 9, 2021 will be granted under the 2021 Plan. The 2021 Equity Incentive Plan permits the grant of awards or restricted or unrestricted common stock, stock options, stock appreciation rights, restricted stock units, performance awards, and other stock-based awards to employees and directors of, and consultants and advisors to, the Company and its affiliates.

The maximum number of shares of the Company's common stock that may be delivered in satisfaction of awards under the 2021 Equity Incentive Plan was initially reserved at 47,037 shares. The share pool will automatically increase on January 1 of each year through and including 2031 by the lesser of (i) five percent of the number of shares of the Company's common stock outstanding as of the close of business on the immediately preceding December 31 and (ii) the number of shares determined by the Board on or prior to

such date for such year. On January 1, 2022, the number of shares of common stock reserved and available for issuance under the 2021 Equity Incentive Plan increased by 18,713 shares.

Restricted Stock

The RSAs were issued as part of the Organizational Transactions (see Note 1).

The following is a summary of RSA transactions as of and for the nine months ended September 30, 2022:

	Unvested Shares	Weighted-Average Grant Date Fair Value
Unvested, December 31, 2021	23,501	$ 11.98
Vested	(5,916)	11.98
Forfeited	(213)	11.98
Unvested, September 30, 2022	**17,372**	**$ 11.98**

Restricted Stock Units

The RSUs were granted in connection with the IPO and subsequent to the IPO. RSUs are accounted for as equity using the fair value method, which requires measurement and recognition of compensation expense for all awards granted to employees, directors and consultants based upon the grant-date fair value.

The following is a summary of RSU transactions as of and for the nine months ended September 30, 2022:

	Unvested Shares	Weighted-Average Grant Date Fair Value
Outstanding, December 31, 2021	6,031	$ 17.95
Granted	11,826	8.53
Vested	(2,000)	17.53
Canceled and forfeited	(1,413)	8.53
Outstanding, September 30, 2022	**14,444**	**$ 10.66**

Stock Options

The following is a summary of stock option activity as of and for the nine months ended September 30, 2022:

	Number of Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Outstanding, December 31, 2021	—	$ —	—	$ —
Granted	12,226	7.61		
Exercised	—	—		
Forfeited	—	—		
Outstanding, September 30, 2022	**12,226**	$ 7.61	9.94	$ —
Vested or expected to vest at September 30, 2022	12,226	$ 7.61	9.94	$ —

The total grant-date fair value of stock options granted during the nine months ended September 30, 2022 was $52,979.

The Company estimated the fair value of stock option grants with time-based vesting conditions using a Black-Scholes option-pricing model with the following assumptions presented on a weighted-average basis:

	Nine Months Ended September 30, 2022
Risk-free interest rate	3.22%
Volatility	55.00%
Expected term (years)	6.25
Expected dividend yield	0.00%
Estimated fair value	$ 4.24

The Company estimated the fair value of stock option grants with time- and market-based vesting conditions using a Monte Carlo simulation that incorporate estimates of the potential outcomes of the market condition on the grant with the following assumptions:

	Nine Months Ended September 30, 2022
Risk-free interest rate	3.22 %
Volatility	55.00 %
Expected service period (years)	2.76
Expected dividend yield	0.00 %
Weighted-average fair value per option granted	$ 4.38

Stock and Unit-Based Compensation Expense

The Company recognized stock and unit-based compensation expense related to RSAs, RSUs, stock options, and the Class B Profits Interests within general and administrative expenses in the unaudited consolidated statements of operations and comprehensive loss as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Stock and unit-based compensation expense	$ 34,870	$ 120,689	$ 152,235	$ 150,809

As of September 30, 2022, the Company had $200,893 in unrecognized compensation expense related to all non-vested awards (RSAs, RSUs and stock options) that will be recognized over the weighted-average remaining service period of 1.9 years.

2021 Employee Stock Purchase Plan

Effective June 9, 2021, the Board and its stockholders as of that date adopted and approved the LifeStance Health Group, Inc. 2021 Employee Stock Purchase Plan (the "ESPP"). The ESPP permits the grant to eligible employees of the Company and its participating subsidiaries of options to purchase shares of the Company's common stock.

The aggregate number of shares of the Company common stock initially available for purchase pursuant to the exercise of options under the ESPP was 6,817 shares, plus an automatic annual increase, as of January 1 of each year beginning in 2022 and continuing through and including 2031, equal to the lesser of (i) one percent of the number of shares of the Company's common stock outstanding as of the close of business on the immediately preceding December 31 and (ii) the number of shares determined by the Board on or prior to such date for such year, up to a maximum of 42,500 shares of the Company's common stock in the aggregate. On January 1, 2022, the number of shares of common stock reserved and available for issuance under the ESPP increased by 3,743 shares. The ESPP allows participants to purchase common stock through payroll deductions of up to 15% of their eligible compensation. The purchase price of the shares will be 85% of the lower of the fair market value of the Company's common stock on the grant date or the exercise date.

The ESPP will generally be implemented by a series of separate offerings referred to as "Option Periods". Unless otherwise determined by the administrator, the Option Periods will be successive periods of approximately six months commencing on the first business day in January and July of each year, anticipated to be on or around January 1 and July 1, and ending approximately six months later on the last business day in June or December, as applicable, of each year, anticipated to be on or around June 30 and December 31. The last business day of each Option Period will be an "Exercise Date". The administrator may change the Exercise Date, the commencement date, the ending date and the duration of each Option Period, in each case, to the extent permitted by Section 423 of the Internal Revenue Code; provided, however, that no option may be exercised after 27 months from its grant date.

As of September 30, 2022, no shares of common stock have been purchased under the Company's ESPP.

NOTE 12 STOCKHOLDERS'/MEMBERS' EQUITY

Common Stock – Post-IPO

As discussed in Note 1, upon completion of the Company's IPO in June 2021, the Company sold 32,800 shares of common stock at an offering price of $18.00 per share.

In connection with the IPO, the Company increased its authorized shares from 1 to 800,000 shares of common stock, par value $0.01 per share.

Common Units - Pre-IPO

The former chief executive officer ("Former CEO") had 35,000 redeemable Class A units outstanding prior to the completion of the IPO. The Former CEO had the right, upon termination for any reason other than proper cause, to put his redeemable Class A units back to the partnership at fair value ("Put Right"). The Former CEO (or permitted transferee) shall have this Put Right also upon death

or disability. As this was both outside of the Company's control and probable to eventually occur, the redeemable Class A units subject to this Put Right were classified as mezzanine equity and carried at fair value (i.e., redemption price). There was a change to the fair value during the nine months ended September 30, 2021 of $36,750 resulting from a change in the probability assumption of an IPO. On June 9, 2021, the redeemable Class A units were converted into 10,234 shares of the Company's common stock.

Class A-1 Common Units had equal voting rights. Class A-2 and Class B Common Units were nonvoting units.

Preferred Stock

In connection with the Company's IPO, the Company authorized the issuance of 25,000 shares of its preferred stock, par value $0.01 per share. There are no shares of preferred stock outstanding as of September 30, 2022 and December 31, 2021.

NOTE 13 RELATED PARTY TRANSACTIONS

The Company leases 19 office facilities under operating leases with related parties expiring through 2030. The leases provide for monthly minimum rent payments, and some include renewal options for additional terms. Minimum rent payments under operating leases are recognized on a straight-line basis over the term of the lease. Total related-party rent expense included in center costs, excluding depreciation and amortization in the unaudited consolidated statements of operations and comprehensive loss amounted to:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Rent expense	$ 397	$ 809	$ 1,175	$ 2,006

A summary of non-cancelable future minimum operating lease payments under these leases as of September 30, 2022 is as follows:

Year Ended December 31,	Amount
Remainder of 2022	$ 421
2023	1,604
2024	1,489
2025	1,513
2026	539
Thereafter	503
Total	**$ 6,069**

In addition, management fees to TPG and certain executives of the Company were identified as related party transactions. For the nine months ended September 30, 2021, the Company incurred related-party management fees of $1,445. As a result of the Company's IPO, the Company terminated its management services agreement in the second quarter of 2021, and no management fees were recognized subsequent to the IPO.

As part of the 2022 Credit Agreement restructuring, TPG provided arrangement and structuring services. The Company incurred related party fees of $4,375 during the nine months ended September 30, 2022 included within debt issue costs.

NOTE 14 COMMITMENTS AND CONTINGENCIES

Contingent Consideration relating to Acquisitions

For the nine months ended September 30, 2022, there were post-closing payments contingent upon the future performance of the Company's recently acquired targets achieving certain agreed-upon performance metrics. Contingent consideration is recorded at fair value and was recognized in the purchase price allocation (see Note 3) of the acquired company.

The following table presents changes to the Company's contingent consideration balance:

	September 30, 2022	December 31, 2021
Beginning balance	$ 17,430	$ 16,414
Additions related to acquisitions	7,719	10,685
Payments of contingent consideration	(12,290)	(12,279)
(Gain) loss on remeasurement	(562)	2,610
Ending balance	**$ 12,297**	**$ 17,430**

Leases with Third Parties

The Company leases its office facilities under operating leases expiring through 2032. The leases provide for monthly minimum rent payments, and some include renewal options for additional terms. Minimum rent payments under operating leases are recognized on a

straight-line basis over the term of the lease. Total third-party rent expense amounted to as follows in the unaudited consolidated statements of operations and comprehensive loss:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Center costs, excluding depreciation and amortization	$ 13,421	$ 8,302	$ 36,439	$ 21,878
General and administrative expenses	405	127	683	655
Total rent expense	**$ 13,826**	**$ 8,429**	**$ 37,122**	**$ 22,533**

A summary of non-cancellable future minimum third-party operating lease payments under these leases as of September 30, 2022 is as follows:

Year Ended December 31,	**Amount**
Remainder of 2022	$ 14,449
2023	59,245
2024	56,750
2025	53,070
2026	46,583
Thereafter	68,862
Total	**$ 298,959**

Professional Liability Insurance

The medical malpractice insurance coverage is subject to a $3,000 per claim limit and an annual aggregate shared limit of $8,000. Should the claims-made policy not be renewed or replaced with equivalent insurance, claims based on occurrences during its term, but reported subsequently, would be uninsured. The Company is not aware of any unasserted claims, unreported incidents, or claims outstanding that are expected to exceed malpractice insurance coverage limits as of September 30, 2022 and December 31, 2021.

Health Care Industry

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, and government health care program participation requirements, reimbursement for patient services, and Medicare fraud and abuse. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violation of these laws and regulations could result in expulsion from government health care programs together with imposition of significant fines and penalties, as well as significant repayments for patient services billed.

Laws and regulations concerning government programs, including Medicare and Medicaid, are complex and subject to varying interpretation. As a result of investigations by governmental agencies, various health care companies have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in companies entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge the Company's compliance with these laws and regulations, and it is not possible to determine the impact (if any) such claims or penalties would have upon the Company. In addition, the contracts the Company has with commercial payors also provide for retroactive audit and review of claims.

Management believes that the Company is in substantial compliance with fraud and abuse as well as other applicable government laws and regulations. While no regulatory inquiries have been made, compliance with such laws and regulations is subject to government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

General Contingencies

The Company is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions, injuries to employees, and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. There has been no significant reduction in insurance coverage from the previous year in any of the Company's policies.

Litigation

The Company may be involved from time-to-time in legal actions relating to the ownership and operations of its business. In management's opinion, the liabilities, if any, that may ultimately result from such legal actions are not expected to have a material adverse effect on the financial condition, results of operations, or cash flows of the Company.

In March 2020, the Company received a Civil Investigative Demand from the U.S. Attorney's Office of the Northern District of Georgia involving an investigation of a laboratory arrangement. The Company does not believe that it is a target of the investigation or

that there is any material exposure based on its internal review. The Company does not know how the investigation will be resolved, to what extent it may be expanded, or whether the Company or its employees will be subject to further investigation, enforcement action or related penalties that could have an adverse impact on its business, results of operations and financial condition.

On August 10, 2022, a shareholder class action lawsuit captioned *Nayani v. LifeStance Health Group, Inc., et al.* was filed in the United States District Court for the Southern District of New York (the "Court") against the Company and certain executives and board members (the "LifeStance Defendants"), as well as the underwriters of the Company's initial public offering (the "IPO") (collectively, "Defendants"). The lawsuit alleges, in part, that the Defendants violated Section 11 of the Securities Act of 1933 (the "Securities Act") because the IPO registration statement purportedly contained inaccurate and misleading statements and/or failed to disclose certain facts concerning patient visits and clinician retention. The lawsuit also asserts that the LifeStance Defendants violated Section 15 of the Securities Act because they are control persons of the Company. The lawsuit seeks unspecified monetary damages and purports to represent all shareholders who purchased the Company's common stock pursuant to the IPO registration statement. Under the Private Securities Litigation Reform Act, applications to become lead plaintiff and lead counsel were due by October 11, 2022. The process to select a lead plaintiff is ongoing. The process of resolving these matters is inherently uncertain and may develop over an extended period of time; therefore, at this time, the ultimate resolution cannot be predicted. The Company has not recorded any material accruals for loss contingencies and in management's opinion no material range of loss is estimable for this matter as of September 30, 2022.

NOTE 15 NET LOSS PER SHARE

Prior to the IPO, as discussed in Note 1, the partnership interests of LifeStance TopCo included Redeemable Class A, Class A common and Class B units. The Class B Units were intended to be "profits interests" for U.S. federal income tax purposes. Prior to the IPO, each of the holders of partnership interests in LifeStance TopCo contributed its partnership interest to LifeStance Health Group in exchange for shares of common stock (including shares of common stock issued as RSAs subject to vesting) of LifeStance Health Group, with no changes in relative equity holder rights, rank or value before or after this exchange. As a result, the LifeStance TopCo equity exchange of common units was considered equivalent to a stock split and requires retrospective treatment for net loss per share purposes. All share and per share information has been retroactively adjusted to reflect the equity exchange for all periods presented. Vested Class B Profits Interests Units outstanding prior to the equity exchange were considered compensatory arrangements that were settled with shares of common stock at the time of the exchange and have been included as outstanding shares subsequent to that date.

The following table presents the calculation of basic and diluted net loss per share ("EPS") for the Company's common shares (on an as-converted basis):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net loss available to common stockholders'/members'	$ (37,853)	$ (120,452)	$ (168,908)	$ (235,917)
Weighted-average shares used to compute basic and diluted net loss per share	357,520	343,394	354,057	321,283
Net loss per share, basic and diluted	$ (0.11)	$ (0.35)	$ (0.48)	$ (0.73)

The Company has issued potentially dilutive instruments in the form of RSAs, RSUs and stock options. The Company did not include any of these instruments in its calculation of diluted loss per share (on an as-converted basis) for the three and nine months ended September 30, 2022 and 2021 because to include them would be anti-dilutive due to the Company's net loss during the period. See Note 11 for the issued, vested and unvested RSAs, RSUs and stock options. The Company excluded the following potential common shares, presented based on amounts outstanding at each period end, from the computation of diluted net loss per share:

	As of September 30,	
	2022	2021
RSAs	17,372	30,749
RSUs	14,444	6,208
Stock options	12,226	—
	44,042	36,957

NOTE 16 SUBSEQUENT EVENTS

Acquisitions

Subsequent to September 30, 2022, the Company completed acquisitions of several outpatient mental health practices. The allocation of purchase price, including any fair value of contingent consideration, to the assets acquired and liabilities assumed as of the acquisition dates have not been completed.

For acquisitions completed subsequent to September 30, 2022, total contractual consideration included cash consideration of $18,740, funded through credit facility financing, and contingent consideration with a maximum value of $2,475.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and related notes appearing elsewhere in this Quarterly Report on Form 10-Q and our audited financial statements and the accompanying notes as well as "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our Annual Report on Form 10-K for the year ended December 31, 2021. Some of the information contained in this discussion and analysis or set forth elsewhere in this Quarterly Report on Form 10-Q, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. As a result of many factors, including those factors set forth under “Risk Factors” Part II, Item 1A in this Quarterly Report on Form 10-Q as well as those discussed in the Annual Report on Form 10-K for the year ended December 31, 2021, our actual results could differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

LifeStance Health Group, Inc. was formed as a Delaware corporation on January 28, 2021 for the purpose of completing an initial public offering (“IPO”) and related transactions in order to carry on the business of LifeStance TopCo, L.P. (“LifeStance TopCo”) and its consolidated subsidiaries and affiliated practices. LifeStance Health Group, Inc. wholly-owns the equity interest of LifeStance TopCo and operates and controls all of the business and affairs and consolidates the financial results of LifeStance TopCo and its wholly owned subsidiaries and affiliated practices. Unless the context otherwise indicates or requires, the terms "LifeStance Health Group", "LifeStance Health", "LifeStance", “we”, and “our” as used herein refer to LifeStance Health Group and its consolidated subsidiaries and affiliated practices.

Our Business

We are dedicated to improving the lives of our patients by reimagining mental health through a disruptive, tech-enabled in-person and virtual care delivery model built to expand access and affordability, improve outcomes and lower overall health care costs. We are one of the nation’s largest outpatient mental health platforms based on the number of clinicians we employ through our subsidiaries and our affiliated practices and our geographic scale, employing 5,431 licensed mental health clinicians as of September 30, 2022. We combine a personalized, digitally-powered patient experience with differentiated clinical capabilities and in-network insurance relationships to fundamentally transform patient access to mental health treatment. By revolutionizing the way mental health care is delivered, we believe we have an opportunity to improve the lives and health of millions of individuals.

Our model is built to empower each of the healthcare ecosystem’s key stakeholders—patients, clinicians, payors and primary care and specialist physicians—by aligning around our shared goal of delivering better outcomes for patients and providing high-quality mental health care.

- *Patients* - We are the front-door to comprehensive outpatient mental health care. Our clinicians offer patients comprehensive services to treat mental health conditions across the clinical spectrum. Our in-network payor relationships improve patient access by allowing patients to access care without significant out-of-pocket cost or delays in receiving treatment. Our personalized, data-driven comprehensive care meets patients where they are, through convenient virtual and in-person settings. We support our patients throughout their care continuum with purpose-built technological capabilities, including online assessments, digital provider communication, and seamless internal referral and follow-up capabilities.
- *Clinicians* - We empower clinicians to focus on patient care and relationships by providing what we believe is a superior workplace environment, as well as clinical and technology capabilities to deliver high-quality care. We offer a unique employment model for clinicians in a collaborative clinical environment, employing our clinicians through our subsidiaries and affiliated practices. Our integrated platform and national infrastructure reduce administrative burdens for clinicians while increasing engagement and satisfaction.
- *Payors* - We partner with payors to deliver access to high-quality outpatient mental health care to their members at scale. Long-term analyses demonstrate that $1 spent on collaborative mental health care saves $6.50 in total medical costs, representing a compelling opportunity for us to drive improved health outcomes and significant cost savings. Through our validated patient outcomes and extensive scale, we offer payors a pathway to achieving these savings in the broader healthcare system.
- *Primary care and specialist physicians* - We collaborate with primary care and specialist physicians to enhance patient care. Primary care is an important setting for the treatment of mental health conditions—primary care physicians are often the sole contact for patients with a mental illness. We partner with primary care physicians and specialist physician groups across the country to provide a mental healthcare network for referrals and, in certain instances, through co-location to improve the diagnosis and treatment of their patients. Our measurable patient outcomes also provide primary care and specialist physicians with a valuable, validated treatment path to improve the overall health of our mutual patients.

COVID-19 Impact

With the COVID-19 pandemic placing an unprecedented strain on daily life, existing trends in mental health care have worsened dramatically since the beginning of the pandemic. The pandemic and post-pandemic measures have resulted in dramatically increasing stressors and leading to poorer overall mental and physical health.

While the impact of the COVID-19 pandemic has increased stressors associated with mental health, we believe that a combination of factors contribute to our total patient visits and related revenue, including, among others, long-term trends in reduced stigmatization of mental health. Even before the pandemic, we saw the need to have a platform supported by leading technology to give us the ability to treat patients virtually or in-person.

We believe COVID-19 represents a paradigm shift in the importance of and focus on mental health care. We have seen significant increase in patient demand as well as payor and employer adoption of mental health coverage options during the pandemic and it is now integrated into health care offerings more than ever before. However, as the pandemic has surged and waned, we believe there has been some impact on our operations due to patient and clinician illness, resulting in cancellations of appointments, deferrals and fewer appointments initially scheduled.

Key Factors Affecting Our Results

Expanding Center Capacity and Visits Within Existing Centers

We have built a powerful organic growth engine that enables us to drive growth within our existing footprint.

Our Clinicians

As of September 30, 2022, we employed 5,431 psychiatrists, advanced practice nurses, psychologists and therapists through our subsidiaries and affiliated practices. We generate revenue on a per visit basis as clinical services are rendered by our clinicians. As our existing centers mature, we grow our physical capacity by leveraging our hybrid clinical model to increase our average clinicians per center, effectively expanding the four walls of our centers. Recruiting new clinicians and retaining existing clinicians in our existing centers enables us to see more patients per center by expanding our patient visit capacity. We believe our fully employed model offers a superior value proposition compared to independent practice. Our network relationships provide clinicians with ready access to patients. We also enable clinicians to manage their own patient volumes. Our platform promotes a clinically-driven professional culture and streamlines patient access and care delivery, while optimizing practice administration processes through technology. We believe we are an employer of choice in mental health, allowing us to employ highly qualified clinicians.

We believe we have significant opportunity to grow our employed clinician base—we estimate there are approximately 650,000 mental health clinicians in the United States, providing us with a meaningful runway to grow from our current base of 5,431 clinicians employed through our subsidiaries and affiliated practices, as of September 30, 2022. To capitalize on this opportunity, we have developed a rigorous and exclusive in-house national clinician recruiting model that works closely with our regional clinical teams to select the best candidates and fulfill capacity in a timely manner. As we grow our clinician base, we can grow our business, expand access to our patients and our payors and invest in our platform to further reinforce our differentiated offering to clinicians. We have available physical capacity to add clinicians to our existing centers, as well as an opportunity to add new clinicians with the roll-out of de novo centers and acquire additional clinicians through our acquisition strategy. Our virtual care offering also allows clinicians to see more patients without investments in incremental physical space, expanding our patient visit capacity beyond in-person only levels.

Our Patients

We believe our ability to attract and retain patients to drive growth in our visits and meet the availability of our clinician base will enable us to grow our revenue. We believe we have a significant opportunity to increase the number of patients we serve in our existing markets. In 2021, our clinicians treated more than 570,000 unique patients through 4.6 million visits. We believe our ability to deliver more accessible, flexible, affordable and effective mental health care is a key driver of our patient growth. We believe we provide a superior and differentiated mental health care experience that integrates virtual and in-person care to deliver care in a convenient way for our patients, meeting our patients where they are. Our in-network payor relationships allow our patients to access care without significant out-of-pocket cost or delays in receiving treatment. We treat mental health conditions across the clinical spectrum through a clinical approach that delivers improved patient outcomes. We support our patients throughout their care continuum with purpose-built technological capabilities, including online assessments, digital provider communication, and seamless internal referral and follow-up capabilities.

We utilize multiple strategies to add new patients to our platform, including our primary care and specialist physician relationships, internal referrals from our clinicians, our payor relationships and our dedicated marketing efforts. We have established a large network of national, regional and local payors that enables their members to be referred to us as patients. Payors refer patients to our platform to drive improvement in health outcomes for their members, reduction in total medical costs and increased member satisfaction and retention. Within our markets, we partner with primary care practice groups, specialists, health systems and academic institutions to refer patients to our centers and clinicians. Our local marketing teams build and maintain relationships with our

referring partner networks to create awareness of our platform and services, including the opening of new centers and the introduction of newly hired clinicians with appointment availability. We also use online marketing to develop our national brand to increase brand awareness and promote additional channels of patient recruitment.

Our Primary Care and Specialist Physician Referral Relationships

We have built a powerful patient referral network through partnerships with primary care physicians and specialist physician groups across the country. We deliver value to our provider partners by offering a more efficient referral base, delivering improved outcomes for our mutual patients, and enabling more integrated care and lower total health care costs. As we continue to scale nationally, we plan to partner with additional hospital systems, large primary care groups and other specialist groups to help streamline their mental health network needs and drive continued patient growth across our platform. Our vision over time is to further integrate our mental health care services with those of our medical provider partners. By co-locating and driving towards integration with primary care providers, we can enhance our clinician's access to patients. We anticipate that we will continue to grow these relationships while evolving our offering toward a fully-integrated care model in which primary care and our mental health clinicians work together to develop and provide personalized treatment plans for shared patients. We believe these efforts will help to further align our model with that of other health care providers, increasing our value to them and driving new opportunities to partner to grow our patient base.

Our Payors

Our payor relationships, including national contracts with multiple payors, allow payors access to our services through in-network coverage for their members. We believe the alignment of our model with our payor partners' population health objectives encourages third-party payors to partner with us. We believe we deliver value to our payor partners in several ways, including access to a national clinician employee base, lower total medical costs, measurable outcomes, and stronger member and client value proposition through the offering of in-network mental health services. The strength of our payor relationships and our value proposition allowed us to secure rate parity between in-person and virtual visits, either by contract or payor policy. To expand this network and grow access to covered patients, we continue to establish new payor relationships and national contracts while also seeking to drive regional rate improvement for our patients and clinicians. We believe our payor relationships differentiate us from our competitors and are a critical factor in our ability to expand our market footprint in new regions by leveraging our existing national payor relationships. As we continue to grow, we believe our scale, breadth and access will continue to be enhanced, further strengthening the value of our platform to payors.

Expand our Center Base Within Existing and New Markets

We believe we have developed a highly replicable playbook that allows us to enter new markets and pursue growth through multiple vectors. We typically identify new markets based on the core characteristics of patient population demographics, substantial clinician recruiting opportunities, untreated patient communities and a diverse group of payors. To enter new markets, we seek to open de novo centers or acquire high-quality practices with a track record of clinical excellence and in-network payor relationships. Once we enter a new market, our powerful organic growth engine drives our growth through de novo openings, center expansions, clinician recruiting and tuck-in acquisitions. We anticipate focusing on continued expansion, both in our existing markets and in new geographies, where mental health care remains a large unmet need.

De Novo Builds

Our de novo center strategy is a central component of our organic growth engine to build our capacity and increase density in our existing MSAs. From our inception in 2017 through September 30, 2022, we have successfully opened 307 de novo centers, including 81 de novo centers in 2022, 106 de novo centers in 2021 and 78 de novo centers in 2020. We believe there is a significant opportunity to use de novo center openings to address potential patient need in our existing markets and new markets that we have determined are attractive to enter. We systematically locate our centers within a given market to ensure convenient coverage for in-person access to care. We believe our successful de novo program and national clinician recruiting team can support additions of new centers and clinicians.

In 2021, we transitioned to a more sustainable design for all new de novo centers going forward that reimagines the mental healthcare experience for both patients and clinicians while reinforcing our commitment to sustainability.

Acquisitions

We have built a proprietary pipeline of acquisition targets, providing us with significant opportunities to scale through potential acquisitions. We believe the highly fragmented nature of the mental health market provides us with a meaningful opportunity to execute on our acquisition playbook. We seek to acquire select practices that meet our standards of high-quality clinical care and align with our mission. We believe our guiding principle of creating a national platform built with a patient and clinician focus makes us a partner of choice for smaller, independent practices. Our acquisition strategy is deployed both to enter new markets and in our existing markets. In new markets, acquisitions allow us to establish a presence with high-quality practices with a track record of clinical excellence and in-network payor relationships that can be integrated into our national platform. In existing markets, acquisitions allow

us to grow our geographic reach and clinician base to expand patient access. For newly acquired centers, we typically fully integrate them into our operational and technology infrastructure within four to six months following an acquisition.

Center Margin

As we grow our platform, we seek to generate consistent returns on our investments. See "—Key Metrics and Non-GAAP Financial Measures—Center Margin" for our definition of Center Margin and reconciliation to loss from operations. We believe this metric best reflects the economics of our model as it includes all direct expenses associated with our patients' care. We seek to grow our Center Margin through a combination of (i) growing revenue through clinician hiring and retention, patient growth and engagement, hybrid virtual and in-person care, existing office expansion, and in-network reimbursement levels, and (ii) leveraging on our fixed cost base at each center. For acquired centers, we also seek to realize operational, technology and reimbursement synergies to drive Center Margin growth.

Investments in Growth

We will continue to focus on long-term growth through investments in our centers and technology. In addition, we expect our general and administrative expenses to increase in the foreseeable future due to our planned investments in growth initiatives and public company infrastructure.

Key Metrics and Non-GAAP Financial Measures

We evaluate the growth of our footprint through a variety of metrics and indicators. The following table sets forth a summary of the key financial metrics we review to evaluate our business, measure our performance, identify trends affecting our business, formulate our business plan and make strategic decisions:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	**2021**	**2022**	**2021**
(in thousands)				
Total revenue	$ 217,560	$ 173,835	$ 630,182	$ 477,516
Revenue growth	25 %	70 %	32 %	*
Loss from operations	(38,839)	(124,668)	(164,162)	(172,594)
Center Margin	60,293	52,052	174,325	147,258
Net loss	(37,853)	(120,452)	(168,908)	(199,167)
Adjusted EBITDA	15,379	10,694	42,493	37,813

* Denotes not meaningful due to lack of comparability between partial periods.

Center Margin and Adjusted EBITDA are not measures of financial performance under GAAP and are not intended to be substitutes for any GAAP financial measures, including revenue, loss from operations or net loss, and, as calculated, may not be comparable to companies in other industries or within the same industry with similarly titled measures of performance. Therefore, non-GAAP measures should be considered in addition to, not as a substitute for, or in isolation from, measures prepared in accordance with GAAP.

Center Margin

We define Center Margin as loss from operations excluding depreciation and amortization and general and administrative expenses. Therefore, Center Margin is computed by removing from loss from operations the costs that do not directly relate to the delivery of care and only including center costs, excluding depreciation and amortization. We consider Center Margin to be an important measure to monitor our performance relative to the direct costs of delivering care. We believe Center Margin is useful to investors to measure whether we are sufficiently controlling the direct costs of delivering care.

Center Margin is not a financial measure of, nor does it imply, profitability. The relationship of loss from operations to center costs, excluding depreciation and amortization is not necessarily indicative of future profitability from operations. Center Margin excludes certain expenses, such as general and administrative expenses, and depreciation and amortization, which are considered normal, recurring operating expenses and are essential to support the operation and development of our centers. Therefore, this measure may not provide a complete understanding of the operating results of our Company as a whole, and Center Margin should be reviewed in conjunction with our GAAP financial results. Other companies that present Center Margin may calculate it differently and, therefore, similarly titled measures presented by other companies may not be directly comparable to ours. In addition, Center Margin has limitations as an analytical tool, including that it does not reflect depreciation and amortization or other overhead allocations.

The following table provides a reconciliation of loss from operations, the most closely comparable GAAP financial measure, to Center Margin:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
(in thousands)				
Loss from operations	$ (38,839)	$ (124,668)	$ (164,162)	$ (172,594)
Adjusted for:				
Depreciation and amortization	17,884	13,777	50,311	38,779
General and administrative expenses [1]	81,248	162,943	288,176	281,073
Center Margin	**$ 60,293**	**$ 52,052**	**$ 174,325**	**$ 147,258**

(1) Represents salaries, wages and employee benefits for our executive leadership, finance, human resources, marketing, billing and credentialing support and technology infrastructure and stock and unit-based compensation for all employees.

Adjusted EBITDA

We present Adjusted EBITDA, a non-GAAP performance measure, to supplement our results of operations presented in accordance with GAAP. We believe Adjusted EBITDA is useful in evaluating our operating performance, and may be helpful to securities analysts, institutional investors and other interested parties in understanding our operating performance and prospects. Adjusted EBITDA is not intended to be a substitute for any GAAP financial measure and, as calculated, may not be comparable to companies in other industries or within the same industry with similarly titled measures of performance. Therefore, our Adjusted EBITDA should be considered in addition to, not as a substitute for, or in isolation from, measures prepared in accordance with GAAP, such as net income or loss.

We define Adjusted EBITDA as net loss excluding interest expense, depreciation and amortization, income tax benefit, gain (loss) on remeasurement of contingent consideration, stock and unit-based compensation, management fees, transaction costs, offering related costs, CEO transition costs, litigation costs, and other expenses. We include Adjusted EBITDA in this Quarterly Report because it is an important measure upon which our management assesses, and believes investors should assess, our operating performance. We consider Adjusted EBITDA to be an important measure because it helps illustrate underlying trends in our business and our historical operating performance on a more consistent basis.

However, Adjusted EBITDA has limitations as an analytical tool, including:

- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and Adjusted EBITDA does not reflect cash used for capital expenditures for such replacements or for new capital expenditures;
- Adjusted EBITDA does not include the dilution that results from equity-based compensation or any cash outflows included in equity-based compensation, including from our repurchases of shares of outstanding common stock; and
- Adjusted EBITDA does not reflect interest expense on our debt or the cash requirements necessary to service interest or principal payments.

A reconciliation of net loss to Adjusted EBITDA is presented below for the three and nine months ended September 30, 2022 and 2021. We encourage investors and others to review our financial information in its entirety, not to rely on any single financial measure and to view Adjusted EBITDA in conjunction with net loss.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
(in thousands)				
Net loss	$ (37,853)	$ (120,452)	$ (168,908)	$ (199,167)
Adjusted for:				
Interest expense	4,189	3,503	14,763	35,309
Depreciation and amortization	17,884	13,777	50,311	38,779
Income tax benefit	(4,353)	(8,751)	(10,106)	(15,300)
(Gain) loss on remeasurement of contingent consideration	(1,176)	906	(562)	1,463
Stock and unit-based compensation expense	34,870	120,689	152,235	150,809
Management fees [1]	—	—	—	1,445
Loss on disposal of assets	144	—	144	—
Transaction costs [2]	210	126	507	3,656
Offering related costs [3]	—	—	—	8,747
Endowment to the LifeStance Health Foundation	—	—	—	10,000
CEO transition costs	494	—	494	—
Litigation costs [4]	104	—	104	—
Other expenses [5]	866	896	3,511	2,072
Adjusted EBITDA	**$ 15,379**	**$ 10,694**	**$ 42,493**	**$ 37,813**

(1) Represents management fees paid to certain of our executive officers and affiliates of our Principal Stockholders pursuant to the management services agreement entered into in connection with the TPG Acquisition. The management services agreement terminated in connection with the IPO.

(2) Primarily includes capital markets advisory, consulting, accounting and legal expenses related to our acquisitions.

(3) Primarily includes non-recurring incremental professional services, such as accounting and legal, and directors' and officers' insurance incurred in connection with the IPO.

(4) Litigation costs include only those costs which are considered non-recurring and outside of the ordinary course of business based on the following considerations, which we assess regularly: (i) the frequency of similar cases that have been brought to date, or are expected to be brought within two years, (ii) the complexity of the case, (iii) the nature of the remedy(ies) sought, including the size of any monetary damages sought, (iv) the counterparty involved, and (v) our overall litigation strategy.

(5) Primarily includes costs incurred to consummate or integrate acquired centers, certain of which are wholly-owned and certain of which are affiliated practices, in addition to the fees paid to former owners of acquired centers and related expenses that are not reflective of the ongoing operating expenses of our centers. Acquired center integration and other are components of general and administrative expenses included in our unaudited consolidated statements of operations and comprehensive loss. Former owner fees is a component of center costs, excluding depreciation and amortization included in our unaudited consolidated statements of operations and comprehensive loss. These costs are summarized for each period in the table below:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
(in thousands)				
Acquired center integration [1]	$ 641	$ 755	$ 1,854	$ 1,670
Former owner fees [2]	49	106	336	262
Other [3]	176	35	1,321	140
Total	**$ 866**	**$ 896**	**$ 3,511**	**$ 2,072**

(1) Represents costs incurred pre- and post-center acquisition to integrate operations, including expenses related to conversion of compensation model, legacy system costs and data migration, consulting and legal services, and overtime and temporary labor costs.

(2) Represents short-term agreements, generally with terms of three to six months, with former owners of acquired centers, to provide transition and integration services.

(3) Primarily includes severance expense unrelated to integration services.

Results of Operations

The following table sets forth a summary of our financial results for the three and nine months ended September 30, 2022 and 2021:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
(in thousands)				
TOTAL REVENUE	$ 217,560	$ 173,835	$ 630,182	$ 477,516
OPERATING EXPENSES				
Center costs, excluding depreciation and amortization shown separately below	157,267	121,783	455,857	330,258
General and administrative expenses	81,248	162,943	288,176	281,073
Depreciation and amortization	17,884	13,777	50,311	38,779
Total operating expenses	$ 256,399	$ 298,503	$ 794,344	$ 650,110
LOSS FROM OPERATIONS	$ (38,839)	$ (124,668)	$ (164,162)	$ (172,594)
OTHER INCOME (EXPENSE)				
Gain (loss) on remeasurement of contingent consideration	1,176	(906)	562	(1,463)
Transaction costs	(210)	(126)	(507)	(3,656)
Interest expense	(4,189)	(3,503)	(14,763)	(35,309)
Other expense	(144)	—	(144)	(1,445)
Total other expense	$ (3,367)	$ (4,535)	$ (14,852)	$ (41,873)
LOSS BEFORE INCOME TAXES	(42,206)	(129,203)	(179,014)	(214,467)
INCOME TAX BENEFIT	4,353	8,751	10,106	15,300
NET LOSS	$ (37,853)	$ (120,452)	$ (168,908)	$ (199,167)

Total Revenue

Total revenue increased $43.8 million, or 25%, to $217.6 million for the three months ended September 30, 2022 from $173.8 million for the three months ended September 30, 2021. This was primarily due to an increase composed of $42.5 million of patient service revenue due to the increase in patient visits and $1.3 million of nonpatient revenue.

Total revenue increased $152.7 million, or 32%, to $630.2 million for the nine months ended September 30, 2022 from $477.5 million for the nine months ended September 30, 2021. This was primarily due to an increase composed of $149.0 million of patient service revenue due to the increase in patient visits and $3.7 million of nonpatient revenue.

Operating Expenses

Center costs, excluding depreciation and amortization

Center costs, excluding depreciation and amortization increased $35.5 million, or 29%, to $157.3 million for the three months ended September 30, 2022 from $121.8 million for the three months ended September 30, 2021. This was primarily due to a $30.1 million increase in center-based compensation due to the increase in clinicians and visits and a $5.4 million increase in occupancy costs consisting of center rent and utilities and other operating expenses consisting of office supplies and insurance due to the increase in centers.

Center costs, excluding depreciation and amortization increased $125.6 million, or 38%, to $455.9 million for the nine months ended September 30, 2022 from $330.3 million for the nine months ended September 30, 2021. This was primarily due to a $105.2 million increase in center-based compensation due to the increase in clinicians and visits and a $20.4 million increase in occupancy costs consisting of center rent and utilities and other operating expenses consisting of office supplies and insurance due to the increase in centers.

General and administrative expenses

General and administrative expenses decreased $81.7 million, or 50%, to $81.2 million for the three months ended September 30, 2022 from $162.9 million for the three months ended September 30, 2021. This was primarily due to a decrease of $83.7 million in salaries, wages and employee benefits, which included an decrease of $85.8 million in stock and unit-based compensation expense primarily relating to RSAs and the RSUs granted at the time of IPO and slightly offset by increases of $1.1 million in occupancy costs and $0.9 million in other operating expenses, including professional services and insurance.

General and administrative expenses increased $7.1 million, or 3%, to $288.2 million for the nine months ended September 30, 2022 from $281.1 million for the nine months ended September 30, 2021. This was primarily due to increases of $20.5 million in salaries, wages and employee benefits, which included an increase of $1.4 million in stock and unit-based compensation expense and

$4.6 million in occupancy costs and slightly offset by a decrease of $18.0 million in other operating expenses, including professional services and insurance related to our IPO and contribution to the LifeStance Health Foundation.

Depreciation and amortization

Depreciation and amortization expense increased $4.1 million to $17.9 million for the three months ended September 30, 2022 from $13.8 million for the three months ended September 30, 2021. This was primarily due to the amortization of intangibles and depreciation during the periods.

Depreciation and amortization expense increased $11.5 million to $50.3 million for the nine months ended September 30, 2022 from $38.8 million for the nine months ended September 30, 2021. This was primarily due to the amortization of intangibles and depreciation during the periods.

Other Expense

Gain (loss) on remeasurement of contingent consideration

Gain (loss) on remeasurement of contingent consideration increased $2.1 million to a $1.2 million gain for the three months ended September 30, 2022 from a $0.9 million loss for the three months ended September 30, 2021. This was primarily due to changes in the weighted probability of achieving the performance and operational targets.

Gain (loss) on remeasurement of contingent consideration increased $2.1 million to a $0.6 million gain for the nine months ended September 30, 2022 from a $1.5 million loss for the nine months ended September 30, 2021. This was primarily due to changes in the weighted probability of achieving the performance and operational targets.

Transaction costs

Transaction costs increased $0.1 million to $0.2 million for the three months ended September 30, 2022 from $0.1 million for the three months ended September 30, 2021. Transaction costs increased primarily due to higher fees related to corporate transactions.

Transaction costs decreased $3.2 million to $0.5 million for the nine months ended September 30, 2022 from $3.7 million for the nine months ended September 30, 2021. Transaction costs decreased primarily due to lower fees related to corporate transactions.

Interest Expense

Interest expense increased $0.7 million to $4.2 million for the three months ended September 30, 2022 from $3.5 million for the three months ended September 30, 2021. This increase was primarily due to higher borrowings outstanding during the period.

Interest expense decreased $20.5 million to $14.8 million for the nine months ended September 30, 2022 from $35.3 million for the nine months ended September 30, 2021. This decrease was primarily due to lower borrowings outstanding during the period as a result of our voluntary prepayment of outstanding borrowings with proceeds from our IPO, which occurred in the second quarter of 2021.

Other Income (Expense)

Other expense increased to $0.1 million for the three months ended September 30, 2022 from $0 for the three months ended September 30, 2021.

Other expense decreased to $0.1 million for the nine months ended September 30, 2022 from $1.4 million for the nine months ended September 30, 2021 primarily due to the termination of the management services as a result of our IPO during the second quarter of 2021.

Income Tax Benefit

Income tax benefit decreased $4.4 million to $4.4 million for the three months ended September 30, 2022 from a $8.8 million benefit for the three months ended September 30, 2021 primarily due to taxable loss and non-deductible equity awards for the three months ended September 30, 2022.

Income tax benefit decreased $5.2 million to $10.1 million for the nine months ended September 30, 2022 from $15.3 million for the nine months ended September 30, 2021 primarily due to taxable loss and non-deductible equity awards for the nine months ended September 30, 2022.

Liquidity and Capital Resources

We measure liquidity in terms of our ability to fund the cash requirements of our business operations, including working capital needs, capital expenditures, including to execute on our de novo strategy, contractual obligations, debt service, acquisitions, settlement of contingent considerations obligations, and other commitments with cash flows from operations and other sources of funding. Our principal sources of liquidity to date have included cash from operating activities, cash on hand and amounts available under the 2022

Credit Agreement. We had cash and cash equivalents of $90.3 million and $148.0 million as of September 30, 2022 and December 31, 2021.

We believe that our existing cash and cash equivalents will be sufficient to fund our operating and capital needs for at least the next 12 months. Our assessment of the period of time through which our financial resources will be adequate to support our operations is a forward-looking statement and involves risks and uncertainties. Our actual results could vary because of, and our future capital requirements will depend on many factors, including our growth rate, the timing and extent of spending to acquire new centers and expand into new markets and the expansion of marketing activities. We may in the future enter into arrangements to acquire or invest in complementary businesses, services and technologies. We have based this estimate on assumptions that may prove to be wrong, and we could use our available capital resources sooner than we currently expect. We may be required to seek additional equity or debt financing. In the event that additional financing is required from outside sources, we may not be able to raise it on terms acceptable to us or at all. If we are unable to raise additional capital when desired, or if we cannot expand our operations or otherwise capitalize on our business opportunities because we lack sufficient capital, our business, results of operations and financial condition would be adversely affected.

Our future obligations primarily consist of our debt and lease obligations. We expect our cash generation from operations and future ability to refinance or secure additional financing facilities to be sufficient to repay our outstanding debt obligations and lease payment obligations. As of December 31, 2021 and September 30, 2022, there was an aggregate principal amount of $161.2 million outstanding under the May 2020 Credit Agreement and $220.5 million outstanding under the 2022 Credit Agreement, respectively. As of September 30, 2022, our non-cancellable future minimum operating third-party lease payments totaled $299.0 million, and our non-cancellable future minimum operating related-party lease payments totaled $6.1 million.

Debt

May 2020 Credit Agreement

On May 14, 2020 and in connection with the TPG Acquisition, LifeStance Health Holdings, Inc., one of our subsidiaries, entered into the May 2020 Credit Agreement. The May 2020 Credit Agreement provides for senior secured credit facilities in the form of (i) $37.5 million original and delayed draw principal amount of Closing Date Term B-1 Loans and $222.5 million original and delayed draw principal amount of Closing Date Term B-2 Loans, and (ii) $20.0 million of Revolving Commitments. On November 4, 2020, we entered into the First Amendment to the May 2020 Credit Agreement which, among other things, provided for incremental credit facilities in the form of $16.6 million original principal amount of First Amendment Term B-1 Loans and $98.4 million original principal amount of First Amendment Term B-2 Loans. On February 1, 2021, we entered into the Second Amendment to the Credit Agreement, which provided for incremental delayed draw term loans in the aggregate principal amount of $50.0 million. On April 30, 2021, we entered into the Third Amendment to the Credit Agreement, which provided for incremental delayed draw term loans in the aggregate principal amount of $70.0 million. On May 16, 2022, in connection with the closing of the 2022 Credit Agreement, the outstanding debt on the May 2020 Credit Agreement was repaid in full.

Borrowings under the May 2020 Credit Agreement were subject to variable interest rates determined at LIBOR plus 3.00% to 7.09%. We were required to make quarterly principal and interest payments through May 14, 2026. Under the terms of the May 2020 Credit Agreement, we were subject to a requirement to maintain a Total Net Leverage Ratio as of the last day of each fiscal quarter to not exceed 8.00:1.00, which maximum level steps down to 7.25:1.00 beginning with the fiscal quarter ending June 30, 2022 and to 7.00:1.00 beginning with the fiscal quarter ending June 30, 2023. We were in compliance with the financial covenants since the inception of the May 2020 Credit Agreement through payoff.

2022 Credit Agreement

On May 4, 2022, LifeStance Health Holdings, Inc., one of our subsidiaries, entered into the 2022 Credit Agreement. The 2022 Credit Agreement establishes commitments in respect of a senior secured term loan facility of $200.0 million (the "Term Loan Facility"), a senior secured revolving loan facility of up to $50.0 million (the "Revolving Facility") and a senior secured delayed draw term loan facility of up to $100.0 million (the "Delayed Draw Term Loan Facility").

The loans under the Term Loan Facility and the Delayed Draw Term Loan Facility bear interest at a rate per annum equal to (x) adjusted term SOFR (which adjusted term SOFR is subject to a minimum of 0.75%) plus an applicable margin of 4.50% or (y) an alternate base rate (which will be the highest of (i) the prime rate, (ii) 0.50% above the federal funds effective rate and (iii) one-month adjusted term SOFR (which adjusted term SOFR is subject to a minimum of 0.75%) plus 1.00%) plus an applicable margin of 3.50%. The loans under the Revolving Facility bear interest at a rate per annum equal to (x) adjusted term SOFR plus an applicable margin of 3.25% or (y) an alternate base rate (which will be the highest of (i) the prime rate, (ii) 0.50% above the federal funds effective rate and (iii) one-month adjusted term SOFR plus 1.00%) plus an applicable margin of 2.25%.

The 2022 Credit Agreement also contains a maximum First Lien Net Leverage Ratio financial maintenance covenant that requires the First Lien Net Leverage Ratio as of the last day of each fiscal quarter to not exceed 8.50:1.00. First Lien Net Leverage Ratio means the ratio of (a) Consolidated First Lien Secured Debt outstanding as of the last day of the test period, minus the

Unrestricted Cash Amount on such last day, to (b) Consolidated EBITDA for such Test Period, in each case on a pro forma basis. As of September 30, 2022, we were in compliance with all financial covenants under the 2022 Credit Agreement.

Cash Flows

The following table summarizes our cash flows for the periods indicated:

	Nine Months Ended September 30,	
	2022	2021
(in thousands)		
Net cash provided by (used in) operating activities	$ 16,871	$ (21,215)
Net cash used in investing activities	(109,165)	(114,514)
Net cash provided by financing activities	34,601	329,023
Net (decrease) increase in cash and cash equivalents	$ (57,693)	$ 193,294
Cash and cash equivalents, beginning of period	148,029	18,829
Cash and cash equivalents, end of period	$ 90,336	$ 212,123

Cash Flows Provided By (Used In) Operating Activities

During the nine months ended September 30, 2022, operating activities provided $16.9 million of cash, primarily impacted by our $168.9 million net loss and $206.9 million in non-cash charges. This was partially offset by changes in our operating assets and liabilities of $21.1 million. During the nine months ended September 30, 2021, operating activities used $21.2 million of cash, primarily impacted by our $199.2 million net loss and $207.2 million in non-cash charges. This was partially offset by changes in our operating assets and liabilities of $29.2 million.

Cash Flows Used In Investing Activities

During the nine months ended September 30, 2022, investing activities used $109.2 million of cash, primarily resulting from our business acquisitions totaling $40.3 million and purchases of property and equipment of $68.9 million. During the nine months ended September 30, 2021, investing activities used $114.5 million of cash, primarily resulting from our business acquisitions of $58.7 million and purchases of property and equipment of $55.8 million.

Cash Flows Provided By Financing Activities

During the nine months ended September 30, 2022, financing activities provided $34.6 million of cash, resulting primarily from net borrowings of $237.5 million under the 2022 Credit Agreement, partially offset by payments of loan obligations of $181.2 million, a prepayment for the debt paydown under the May 2020 Credit Agreement of $1.6 million, payments of debt issue costs of $7.3 million and payments of contingent consideration of $12.3 million. During the nine months ended September 30, 2021, financing activities provided $329.0 million of cash, resulting primarily from our IPO of net proceeds of $548.9 million, borrowings of $98.8 million under the May 2020 Credit Agreement, partially offset by payments of loan obligations of $311.1 million, payments of debt issue costs of $2.4 million and payments of contingent consideration of $6.3 million.

Critical Accounting Estimates

Our consolidated financial statements have been prepared in accordance with GAAP. The consolidated financial statements included elsewhere in this Quarterly Report include the results of (i) LifeStance TopCo, L.P., its wholly-owned subsidiaries and variable interest entities consolidated by LifeStance TopCo, L.P. in which LifeStance TopCo, L.P. has an interest and is the primary beneficiary for the period prior to the completion of the IPO and (ii) LifeStance Health Group, Inc., its wholly-owned subsidiaries and variable interest entities consolidated by LifeStance Health Group, Inc. in which LifeStance Health Group, Inc. has an interest and is the primary beneficiary for the period ended September 30, 2022. Preparation of the consolidated financial statements requires our management to make judgments, estimates and assumptions that impact the reported amount of total revenue and expenses, assets and liabilities and the disclosure of contingent assets and liabilities. We consider an accounting estimate to be critical when (1) the estimate made in accordance with GAAP is complex in nature or involves a significant level of estimation uncertainty and (2) the use of different judgments, estimates and assumptions have had or are reasonably likely to have a material impact on the financial condition or results of operations in our consolidated financial statements. Actual results could differ materially from those estimates. To the extent that there are material differences between these estimates and our actual results, our future financial statements will be affected. For a description of our policies regarding our critical accounting estimates, see "Critical Accounting Estimates" in our Annual Report on Form 10-K for the year ended December 31, 2021. There have been no significant changes in our critical accounting estimates or methodologies to our consolidated financial statements.

Recently Adopted and Issued Accounting Pronouncements

Recently issued and adopted accounting pronouncements are described in Note 2 to our unaudited consolidated financial statements.

Emerging Growth Company Status

We are an emerging growth company, as defined in the JOBS Act. Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act until such time as those standards apply to private companies. We have elected to use this extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date that we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our unaudited consolidated financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates.

We will remain an emerging growth company until the earlier to occur of: (i) the last day of the fiscal year (a) following the fifth anniversary of the completion of the IPO, (b) in which we have total annual gross revenue of $1.235 billion or more, or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common stock that is held by non-affiliates exceeds $700.0 million as of the prior June 30th; and (ii) the date on which we have issued more than $1.0 billion in non-convertible debt during the prior three-year period.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Market risk represents the risk of loss that may impact our financial condition due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of exposure due to potential changes in inflation or interest rates. We do not hold financial instruments for trading purposes.

Interest Rate Risk

Our primary market risk exposure is changing prime rate-based interest rates. Interest rate risk is highly sensitive due to many factors, including U.S. monetary and tax policies, U.S. and international economic factors and other factors beyond our control.

As of September 30, 2022, we had an aggregate principal amount of $220.5 million under our credit facilities. In the current economic environment, we manage interest expense using a mixture of variable-rate debt and a fixed-interest-rate swap. In August 2022, the Company entered into a hedge transaction (interest rate swap) using a derivative financial instrument for the purpose of hedging the Company’s exposure to interest rate risks, which the contractual terms of the hedged instrument closely mirror those of the hedged item, providing a high degree of risk reduction and correlation. The objective of entering into the interest rate swap is to eliminate the variability of cash flows in the Secured Overnight Financing Rate interest payments associated with variable-rate loan over the life of the loan under our credit facilities. As of September 30, 2022, a 100 basis point increase or decrease in market interest rates over a twelve-month period would result in a change to interest expense of $2.2 million.

Inflation Risk

Based on our analysis of the periods presented, we believe that inflation has not had a material effect on our operating results. There can be no assurance that future inflation will not have an adverse impact on our operating results and financial condition.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, or the Exchange Act), as of the end of the period covered by this Quarterly Report on Form 10-Q. Based upon that evaluation, as a result of the material weaknesses in internal control over financial reporting described below, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were not effective as of September 30, 2022 due to the material weaknesses described below.

Previously Reported Material Weaknesses

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim consolidated financial statements will not be prevented or detected on a timely basis. As previously reported in the Annual Report on Form 10-K for the year ended December 31, 2021, in connection with the preparation of our consolidated financial statements as of and for the year ended December 31, 2019, we identified material weaknesses in our internal control over financial reporting, which continue to exist as of September 30, 2022. The material weaknesses we identified were as follows:

We did not design and maintain an effective control environment commensurate with our financial reporting requirements due to an insufficient complement of resources in the accounting/finance and IT functions, with an appropriate level of knowledge, experience and training. This material weakness contributed to the following additional material weaknesses:

- We did not maintain formal accounting policies and procedures, and did not design and maintain controls related to significant accounts and disclosures to achieve complete, accurate and timely financial accounting, reporting and disclosures, including controls over account reconciliations, segregation of duties and the preparation and review of journal entries.

  These material weaknesses resulted in material misstatements related to the identification and valuation of intangible assets acquired in business combinations that impacted the classification of intangible assets and goodwill, related impacts to amortization and income tax expense, and the restatement of our previously issued annual consolidated financial statements as of and for the years ended December 31, 2019 and 2018 with respect to such intangibles assets acquired in business combinations. Additionally, these material weaknesses could result in a misstatement of substantially all of the financial statement accounts and disclosures that would result in a material misstatement to our annual or interim consolidated financial statements that would not be prevented or detected.

- We did not design and maintain effective controls over IT general controls for information systems that are relevant to the preparation of our consolidated financial statements. Specifically, we did not design and maintain: (i) program change management controls for financial systems to ensure that information technology program and data changes affecting financial IT applications and underlying accounting records are identified, tested, authorized and implemented appropriately; (ii) user access controls to ensure appropriate segregation of duties and that adequately restrict user and privileged access to financial applications, programs, and data to appropriate Company personnel; (iii) computer operations controls to ensure that critical batch jobs are monitored and data backups are authorized and monitored; and (iv) testing and approval controls for program development to ensure that new software development is aligned with business and IT requirements.

These IT deficiencies did not result in a material misstatement to our consolidated financial statements; however, the deficiencies, when aggregated, could impact maintaining effective segregation of duties, as well as the effectiveness of IT-dependent controls (such as automated controls that address the risk of material misstatement to one or more assertions, along with the IT controls and underlying data that support the effectiveness of system-generated data and reports) that could result in misstatements potentially impacting all financial statement accounts and disclosures that would not be prevented or detected. Accordingly, we have determined these deficiencies in the aggregate constitute a material weakness.

Remediation Plan for Material Weaknesses

We are in the process of designing and implementing measures designed to improve our internal control over financial reporting and remediate the control deficiencies which led to the material weaknesses. As of September 30, 2022, our remediation measures are ongoing and include the following:

- hired additional accounting and IT personnel to enhance our technical reporting, transactional accounting, and IT capabilities. We designed and implemented controls to support training, development, and technical research capabilities for those resources along with development and implementation of policies and procedures to support the external financial reporting functions. We continue to evaluate our staffing needs and plan to hire additional resources as necessary to support our operations;
- performed detailed risk assessments for significant financial processes to identify, design, and implement control activities related to internal control over financial reporting;
- developed and implemented controls related to the formalization of our accounting policies and procedures and financial reporting;
- development and implementation of controls related to significant accounts and disclosures to achieve complete, accurate and timely financial accounting, reporting and disclosures, including controls over account reconciliations, segregation of duties and the preparation and review of journal entries;

- developed and implemented IT security and governance controls to address program change of internally and externally developed systems and computer operations associated with information systems impacting the preparation of our consolidated financial statements;
- developed and implemented controls related to the periodic monitoring and review of user access rights, the identification and risk ranking of segregation of duties conflicts, and, where it is determined there is a need for an individual to having conflicting access, a periodic review of the underlying activities is performed by an independent person who does not have such conflicting access;
- developed and implemented controls related to computer operations surrounding critical batch jobs and data backups; and
- development and implementation of program change management controls, including new or material modifications, for testing, authorization and implementation of program and data changes affecting financial IT applications and accounting records.

We have made progress towards designing and implementing the plan to remediate the material weaknesses and will continue to review, revise, and improve the design and implementation of our internal controls as appropriate. Although we have made enhancements to our control procedures, these material weaknesses will not be considered remediated until our controls are operational for a sufficient period of time, tested, and management concludes that these controls are operating effectively.

We intend to evaluate current and projected resource needs on a regular basis and hire additional qualified resources as needed. Our ability to maintain qualified and adequate resources to support our business and our projected growth will be a critical component of our internal control environment.

Changes in Internal Control over Financial Reporting

We are taking actions to remediate the material weaknesses relating to our internal control over financial reporting. There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended September 30, 2022 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on Effectiveness of Disclosure Controls and Procedures

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

For a discussion of certain legal proceedings in which we are involved, please read Note 14, Commitments and Contingencies, to our unaudited consolidated financial statements in this report, which is incorporated into this item by reference.

Item 1A. Risk Factors.

There have been no material changes to our risk factors as previously disclosed under Part I, Item 1A "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2021.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Use of Proceeds from Initial Public Offering of Common Stock

On June 14, 2021, we completed the initial public offering of our common stock pursuant to a Registration Statement (File No. 333-256202), which was declared effective on June 9, 2021.

There has been no material change in the use of proceeds as described in the final prospectus for our IPO filed pursuant to Rule 424(b)(4) under the Securities Act of 1933, as amended, with the SEC, on June 11, 2021 and our Annual Report on Form 10-K for the year ended December 31, 2021.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

Exhibit Number	Description	Description of Exhibit Incorporated Herein by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
10.1*+	Separation and General Release Agreement, dated as of September 7, 2022, between LifeStance Health Group, Inc. and Michael K. Lester					X
10.2*+	Consulting Agreement, dated September 8, 2022, between LifeStance Health Group, Inc., Alert5 Consulting LLC, and Michael K. Lester					X
10.3*+	Amendment to Restricted Stock Unit Award Agreement, dated as of September 7, 2022, between LifeStance Health Group, Inc. and Michael K. Lester					X
10.4*	Amendment to Stock Transfer Restriction Agreement, dated as of September 7, 2022, between LifeStance Health Group, Inc. and Michael K. Lester					X
10.5*+	Amendment to Time and Performance-Based Restricted Stock Unit Award Agreement (Time-Based Award), dated as of September 7, 2022, between LifeStance Health Group, Inc. and Michael K. Lester					X
10.6*+	Amendment to Time and Performance-Based Restricted Stock Unit Award Agreement (Performance-Based Award), dated as of September 7, 2022, between LifeStance Health Group, Inc. and Michael K. Lester					X
10.7*+	Amendment to the Partnership Interest Award Agreement, dated as of September 7, 2022, between LifeStance Health Group, Inc. and Michael K. Lester					X
10.8*+	Employment Agreement , dated September 7, 2022, between LifeStance Health Group, Inc. and Kenneth Burdick					X
10.9*+	Letter Agreement, dated September 7, 2022, between LifeStance Health Group, Inc. and Danish Qureshi					X
10.10*+	Form of Non-Qualified Stock Option Agreement					X
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
32.1*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X
32.2*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.					
101.SCH	Inline XBRL Taxonomy Extension Schema Document					
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document					

Exhibit Number	Description	Description of Exhibit Incorporated Herein by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document					
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)					

* Filed herewith.
\+ Indicates a management contract or compensatory plan, contract or arrangement.

SIGNATURES

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

LifeStance Health Group, Inc.

Date: November 9, 2022

By: /s/ J. Michael Bruff

J. Michael Bruff

Chief Financial Officer and Treasurer

(principal financial and accounting officer)

SEPARATION AND GENERAL RELEASE AGREEMENT

This Separation and Release of Claims Agreement (this "Agreement") is entered into by and among LifeStance Health Group, Inc. ("LifeStance"), LifeStance Health, Inc. (the "Company", and collectively with LifeStance and its affiliates, the "Company Group"), Alert5 Consulting LLC ("Alert5"), a Washington limited liability company, and Michael K. Lester ("Employee").

RECITALS

A. Prior to September 7, 2022, Employee was employed by the Company Group;

B. Employee and the Company Group have agreed to terminate Employee's employment with the Company Group effective at the end of the business day on September 7, 2022;

C. Employee, Alert5 and the Company Group desire to resolve all disputes that may exist among them, whether known or unknown, including, but not limited to, disputes relating to Employee's employment relationship with the Company Group and the termination of that employment relationship. To that end, Employee, Alert5, LifeStance and the Company agree as set forth below.

AGREEMENT

1. **Termination Date and Final Compensation.** Employee acknowledges that his employment with the Company Group will end effective at the end of the business day on September 7, 2022 (the "Termination Date") and Employee and Alert5 acknowledge that, on the day immediately following the Termination Date, Alert5 shall enter into a consulting agreement with LifeStance in accordance with Section 2 below. From the date hereof through the Termination Date, Employee will continue to serve as President and Chief Executive Officer of LifeStance and the Company, Alert5 shall continue to serve as a consultant to the Company Group, and the terms of the Amended and Restated Employment Agreement between Employee and the Company, dated May 14, 2020, as amended on June 1, 2020 (the "Employment Agreement"), and the Independent Consulting Agreement among Employee, Alert5, and the Company, dated June 1, 2020 (the "Alert5 Agreement"), shall continue in effect, except as expressly modified by this Agreement. Regardless of whether Employee signs this Agreement, the Company Group will, in accordance with State law, pay Employee (i) Employee's base salary for the final payroll period of his employment, through the Termination Date, (ii) any accrued and unused paid time-off and other compensation or benefits owed to Employee relating to his employment through the Termination Date, (iii) pay to Alert5 any Fee (as defined in the Alert5 Agreement) earned but not yet paid and any expenses properly incurred but not yet reimbursed, in each case, as of the Termination Date (the amounts in clauses (i), (ii) and (iii), collectively, the "Accrued Obligations") and (iv) reimbursement for business expenses incurred by Employee but not yet paid to Employee as of the Termination Date, in accordance with the Company Group's reimbursement procedures and practices in effect from time to time; provided, that Employee submits all expenses and supporting documentation required within sixty (60) days of the Termination Date. Employee acknowledges and agrees that nothing contained in this Agreement or the Separation Documents (as defined below) shall give rise to a claim for "Good Reason" (as defined in the Employment Agreement) or for a breach of the Alert5 Agreement, and that Employee's termination of employment on the Termination Date shall not be

treated as a termination of Employee's employment without "Cause" (as defined in the Employment Agreement) or due to layoff for any purpose.

2. Separation Consideration. In consideration of Employee and Alert5 (a) entering into this Agreement, (b) entering into an effective release of claims in substantially the form of the General Release in Section 5 below, if requested by LifeStance, on or promptly following the end of the term of the Consulting Agreement and (c) complying with their obligations under this Agreement and any other agreements with the Company Group, the Company Group agrees to, (i) enter into the Consulting Agreement with Employee and Alert5 set forth as **Exhibit A** hereto (the "Consulting Agreement"), (ii) amend the Restricted Stock Unit Award Agreement, dated June 9, 2021, as set forth on **Exhibit B** hereto (the "RSU Amendment"), (iii) amend the Stock Transfer Restriction Agreement, dated June 9, 2021, as set forth on **Exhibit C** hereto (the "Stock Transfer Amendment"), (iv) amend the Time and Performance-Based Restricted Stock Unit Award Agreement (Time-Based Award), dated April 25, 2022, as set forth on **Exhibit D** hereto (the "2022 RSU Amendment"), (v) amend the Time and Performance-Based Restricted Stock Unit Award Agreement (Performance-Based Award), dated April 25, 2022, as set forth on **Exhibit E** hereto (the "PSU Amendment"), and (vi) amend the Partnership Interest Award Agreement dated June 8, 2020, as amended by the Notice of Amended Award Terms, dated June 9, 2021 (the "RSA Agreement"), as set forth on **Exhibit F** hereto (the "RSA Amendment") (the Consulting Agreement, the RSU Amendment, the Stock Transfer Amendment, the 2022 RSU Amendment, the PSU Amendment, and the RSA Amendment, together with this Agreement, are sometimes referred to collectively as the "Separation Documents"). Further, LifeStance agrees that, so long as Alert5 continues to provide consulting services pursuant to the Consulting Agreement, Employee shall continue to vest in Employee's outstanding equity awards in accordance with their terms, treating such consulting services as "Employment" or "Service" (each as defined in the applicable award agreement), as applicable, thereunder. In addition, notwithstanding the requirement that Employee remains employed on the date that annual bonuses are paid to employees of the Company Group, Employee will be eligible to receive a pro rata annual bonus in respect of the Company Group's 2022 fiscal year, based on achievement of the pre-established performance objectives and prorated to reflect the portion of the year during which Employee is employed through the Termination Date, payable at the same time and in the same manner as bonuses are paid to other executives of the Company Group, but in all events on or prior to March 15, 2023. The compensation and benefits provided under the Separation Documents (other than the Accrued Obligations) are collectively referred to herein as the "Separation Consideration."

3. Employee Benefits. Provided that Employee elects to continue participation in the Company Group's health, dental and other insurance plans following the Termination Date, for the one (1)-year period following the Termination Date, the Company Group will pay to Employee an amount each month, as taxable compensation, equal to the full premium cost of Employee's continued coverage under such plans (including coverage for Employee's dependents). Thereafter, Employee may have the right to continue participation in the Company Group health, dental and other plans under applicable law, which will be communicated to Employee under separate cover, at Employee's expense. Nothing in this Agreement will affect any vested rights Employee may have under the Company Group's benefit plans and programs.

4. No Further Compensation. The parties agree that the payment of the Accrued Obligations is in complete satisfaction of any and all compensation or benefits due to Employee and Alert 5 from the Company Group, whether for services provided or otherwise, through the

Termination Date, and that, except as expressly provided under the Separation Documents, no further compensation or benefits are owed or will be paid or provided to Employee. For the avoidance of doubt, from and after the Termination Date, other than as provided herein and in a Consulting Agreement between Employee, Alert5 Consulting LLC, and LifeStance, Employee will not be eligible to receive any severance payments and benefits under the LifeStance Severance and Change in Control Policy (the "Policy") or any other severance plan or policy of the Company Group or under any employment or other agreement with any member of the Company Group, including the Employment Agreement, except that if a Change in Control (as defined in the Policy) is consummated within six (6) months following the Termination Date, and provided that Employee does not breach any Restrictive Covenant (as hereinafter defined) and the Consulting Agreement has not been terminated for Cause (as defined therein), Employee shall be entitled to receive the payments and benefits payable upon a Qualifying Termination within the Change in Control Period (as such terms are defined in the Policy), provided that such payments and benefits shall be reduced by any amounts paid or payable under the Separation Documents.

5. General Release by Employee. In consideration of LifeStance and the Company entering into the Separation Documents and providing the Separation Consideration, Employee and Alert5 each agree as follows:

a. Employee and Alert5 each acknowledge that the terms of this Agreement and the Separation Documents provide Employee and Alert5 rights that are greater than those that might be available under any other agreements with the Company Group or under any severance or separation pay plans and programs of the Company Group for which they are eligible (collectively the "Other Agreements and Programs"). Employee and Alert5 each acknowledge that they will not be entitled to, and do hereby waive, any rights under the Other Agreements and Programs, including, but not limited to any severance payments under the Employment Agreement or the Policy, except as expressly provided herein. Employee and Alert5 each also acknowledge that this Agreement is intended to, and shall, supersede and replace any other compensation due to Employee or Alert5 now or in the future under the Other Agreements and Programs. Further, Employee and Alert5 each acknowledge and agree that the restrictive covenants set forth in Sections 7, 8, and 9 of the Employment Agreement, in Sections 5, 6, 7, 8, 9, and 10 of the Alert5 Agreement, in the Restrictive Covenant Agreement between Employee and Lynnwood Intermediate Holdings, Inc., dated as of April 14, 2020 (the "Restrictive Covenant Agreement"), and in Section 6 of the RSA Agreement, together with any other confidentiality, non-competition, non-solicitation, non-disparagement, invention assignment or other restrictive covenants in favor of the Company Group to which Employee or Alert5 is bound (together, the "Restrictive Covenants"), shall continue to apply in accordance with their terms and are hereby incorporated by reference into this Agreement and form a part hereof, provided, that for purposes of determining the applicable post-termination of employment or service time periods under such Restrictive Covenants, the applicable post-termination of employment or service time periods under the Restrictive Covenants shall not begin until the termination of the Consulting Agreement (i.e., Employee shall not be considered to have terminated employment or service, as applicable, and the post-termination period of restriction shall not commence, until such time as Alert5 ceases to provide consulting services under the Consulting Agreement). Employee acknowledges and agrees that by virtue of being the sole member of Alert5, (i) Employee will receive compensation during the term of the Consulting Agreement in excess of the threshold required under the law of

the State of Washington, RCW 49.62.030, to the extent applicable, and (ii) Alert5's services to the Company Group during the term of the Consulting Agreement shall be deemed to constitute "employment" by Employee for purposes of the Restrictive Covenants.

b. In exchange for the Separation Consideration, Employee and Alert5, on behalf of themselves and their affiliates, predecessors, successors, heirs, agents and assigns, each hereby irrevocably and unconditionally release, waive and forever discharge each member of the Company Group and their current or former affiliates, shareholders, predecessors, successors, assigns, representatives, officers, directors, agents, employees, and any other person or entity affiliated, connected or associated with or in any way related to any member of the Company Group (collectively, "Releasees") from all legal, statutory, and equitable claims and from all causes of action, suits, obligations, liabilities, demands, complaints, damages, losses, debts, costs and expenses, known or unknown, suspected or not, which Employee or Alert5 may have or claim to have (regardless of whether Employee or Alert5 has asserted or is aware of the claim) through, or based on any set of facts in existence on, the date that Employee and Alert5 sign this Agreement, including those relating in any way to either Employee's or Alert5's employment or service relationship with the Company Group or termination of thereof or any other matter. The parties intend that this release shall be broadly construed in favor of the Company Group and the Releasees.

c. This release includes all claims arising under any federal, state, county or local law prohibiting employment relationship discrimination on the basis of age, color, disability, ethnic or national origin, marital status, military status, race, religion, sex, sexual orientation, or other factor. The release specifically includes all claims under the federal Age Discrimination in Employment Act, as well as under the federal Family and Medical Leave Act, any applicable state law against discrimination, and the Washington Equal Pay and Opportunities Act and any other similar state law, that arose or accrued before Employee signed this Agreement. The release also includes all claims arising under any other statute, tort, contract, promise, or representation, written or oral, including claims for wrongful or retaliatory termination, actual or punitive damages, compensation, commissions, bonuses, severance, vacation pay or other paid leave or time off, payments or other benefits under employee pension and welfare benefit plans, and attorneys' fees and costs. The foregoing release does not apply to any claims arising under the Separation Documents.

d. The release does not waive any rights provided by the Separation Documents and to benefits that are fully accrued and vested. It also does not waive claims or rights that as a matter of law cannot be waived by this Agreement, including filing a charge with, testifying, or participating in an investigation conducted by certain government agencies. It does, however, waive any right to monetary recovery if any agency (such as the U.S. Equal Employment Opportunity Commission) pursues any claims on Employee's or Alert5's behalf. Employee acknowledges and agrees that he has disclosed any potential non-compliance with laws or regulations that he is aware of as of the date hereof to LifeStance's Chief Compliance Officer.

e. Notwithstanding the foregoing, Employee does not waive rights, if any, he may have to unemployment insurance benefits or workers' compensation benefits. Nothing in this

paragraph prohibits Employee from paying COBRA premiums to maintain his participation, if any, in LifeStance's group health plan to the extent allowed by law and by the terms, conditions, and limitations of the health plan.

f. For the purpose of implementing a full and complete release and discharge of the Releasees, Employee and Alert5 each expressly acknowledge that, except as provided herein, this Agreement is intended to include in its effect, without limitation, all claims that Employee and Alert5 did not know of or suspect to exist in his or its favor at the time of the execution of this Agreement, regardless of whether the knowledge of such claims, or the facts upon which they might be based, would have materially affected the settlement of this matter, and that the consideration received hereunder was also for the release of those claims and contemplates the extinguishment of any such claims.

6. General Release by Company. In consideration of Employee and Alert5 entering into the Separation Documents and providing the promises therein, LifeStance and the Company Group each agree as follows:

a. LifeStance and the Company Group, on behalf of themselves and their affiliates, predecessors, successors, and assigns, hereby irrevocably and unconditionally release, waive and forever discharge Employee and Alert5 from all statutory and equitable claims and from all causes of action, suits, obligations, liabilities, demands, complaints, damages, losses, debts, costs and expenses, relating in any way to either Employee's or Alert5's employment or service relationship with LifeStance or the Company Group or the termination thereof, in each case, as to which the Board of Directors of LifeStance has actual knowledge as of the Termination Date. This release includes, but is not limited to, all claims arising under any federal, state, county or local law and all claims arising under any statute, tort, contract, promise, or written or oral representation. The foregoing release does not apply to any claims arising (i) under the Separation Documents, (ii) in connection with Employee's breach of any fiduciary duty owed to LifeStance, the Company Group, or any of their respective shareholders under applicable law, or (iii) in connection with any fraud or willful misconduct by Employee or Alert5.

7. Continued Protection of Confidential Information. Employee and Alert5 each agree that they will not at any time, directly or indirectly, without written authorization from LifeStance, make use of or disclose to any Person any business-related, proprietary, secret and/or confidential information, knowledge, trade secrets, or other confidential data related to the business, products, services, practices, or patients or customers of the Company Group coming within their possession during their employment or service relationship with the Company Group. Such information includes, but is not limited to, trade secrets, salaries, financial information, patient information, marketing information, pricing, sales information, personal employee information, or any other information of a similar confidential, sensitive or competitive nature. As used herein, "Person" means an individual, corporation, partnership, limited liability company, or other form of business entity.

8. No Pending Proceeding. Employee and Alert5 each represent and warrant that they have not filed any complaints, charges, or claims for relief against any member of the Company Group or any other Releasee with any local, state or federal court or administrative agency which

currently are outstanding. Employee and Alert5 each agree that if he or it has done so, he or it will forthwith dismiss all such complaints, charges and/or claims for relief with prejudice. Employee and Alert5 each further agree and covenant not to bring any complaints, charges or claims against any member of the Company Group or any other Releasee with respect to any matters arising out of their respective employment or service relationship with the Company Group or the termination of that relationship by the Company Group. Employee and Alert5 each further represent that they are not aware of any injury or disease that may have arisen out of their employment or service relationship with the Company Group for which a workers' compensation claim or proceeding may be filed by or for him after signing this Agreement.

9. Return of Property. Employee and Alert5 each represent and warrant that they have returned to the Company Group all documents, property and records owned by, belonging to or created by the Company Group, or any other Releasee, and all copies thereof (the "LifeStance Property"). Employee and Alert5 also represent and warrant that they have not retained any copies of any LifeStance Property and that they have no LifeStance Property in their possession, custody or control. The LifeStance Property includes, but is not limited to, keys, wares, products, complete and/or partial documents, correspondence, reports, memoranda, notes, software, computer disks, manuals, computerized information and reports. Notwithstanding any of the above, Employee shall retain the use of his Company Group laptop and email through the duration of the consulting period, in all cases subject to the discretion of the Company Group.

10. Non-Disparagement. Employee agrees that he will not directly or indirectly disparage the Company Group or any other Releasee, or their products, services, practices, business affairs and/or financial condition, to any third person or entity. LifeStance and the Company each agree that they will instruct their respective division presidents, executive officers and directors to not directly or indirectly disparage Employee to any third person or entity.

11. Return of Separation Consideration. Employee and Alert5 agree that if either of them breaches any provision of this Agreement or any other obligations to any member of the Company Group, they will not be entitled to, and therefore will not receive (and will be obligated to return, to the extent already received, upon request by LifeStance), any of the Separation Consideration and they will forfeit any entitlement to the Separation Consideration.

12. No Admission. Employee, Alert5, LifeStance and the Company acknowledge that this Agreement does not constitute an admission of any fault, liability or wrongdoing by LifeStance, the Company or any other Releasee, nor an admission that Employee or Alert5 has any claim whatsoever against any member of the Company Group or any other Releasee. The Company Group and all other Releasees specifically deny any liability to, or wrongful acts against, Employee or Alert5.

13. Authority. Employee, Alert5, LifeStance and the Company represent and warrant that they have not previously assigned, conveyed or pledged to any third person any claims released by this Agreement, and that they have full right and authorization to waive, relinquish and compromise those claims as set forth above.

14. Waiver. No waiver, express or implied, by either party of any breach of this Agreement shall be considered a waiver of any other breach.

15. Section 409A.

a. This Agreement and the payments and benefits provided hereunder are intended to be exempt from, or comply with, the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and shall be construed consistently with that intent. Notwithstanding the foregoing, in no event shall the Company Group have any liability relating to the failure or alleged failure of any payment or benefit under this Agreement to be exempt from, or comply with, the requirements of Section 409A of the Code. For purposes of Section 409A of the Code, each payment made under this Agreement shall be treated as a separate payment and the right to a series of installment payments under this Agreement shall be treated as a right to a series of separate payments.

b. Any reimbursement for expenses payable to Employee or Alert5 hereunder that would constitute nonqualified deferred compensation subject to Section 409A of the Code shall be subject to the following additional rules: (i) no reimbursement of any such expense shall affect Employee's or Alert5's right to reimbursement of any such expense in any other taxable year; (ii) reimbursement of the expense shall be made, if at all, promptly, but not later than the end of the calendar year following the calendar year in which the expense was incurred; and (iii) the right to reimbursement shall not be subject to liquidation or exchange for any other benefit.

c. If Employee is a "specified employee" (as defined below) at the time of Employee's "separation from service" (as defined below), any payments or benefits that are payable under this Agreement or otherwise on account of Employee's separation from service that would (but for this provision) be payable within six (6) months following the date of such separation from service, shall instead be paid on the next business day following the expiration of such six (6)-month period or, if earlier, upon Employee's death; except (i) to the extent of amounts that do not constitute a deferral of compensation within the meaning of Section 1.409A-1(b) of the Treasury Regulations (including without limitation by reason of the safe harbor set forth in Section 1.409A-1(b)(9)(iii), as determined by the Company Group in its reasonable good faith discretion); (ii) benefits which qualify as excepted welfare benefits pursuant to Section 1.409A-1(a)(5) of the Treasury Regulations; or (iii) other amounts or benefits that are not subject to the requirements of Section 409A of the Code.

d. For purposes of this Agreement, the term "separation from service" shall have the meaning set forth in Section 1.409A-1(h) of the Treasury Regulations (after giving effect to the presumptions contained therein), and the term "specified employee" means an individual determined by the Company Group to be a specified employee under Section 1.409A-1(i) of the Treasury Regulations.

16. Section 280G. In the event that it is determined that any payment or benefit of any type to or for Employee's benefit, directly or indirectly (including to Alert5), made by the Company Group, by any Person who acquires ownership or effective control or ownership of a substantial portion of LifeStance's assets (within the meaning of Section 280G of the Code and the regulations thereunder (collectively, "Section 280G") or by any affiliate of such person, whether pursuant to the terms of this Agreement or otherwise (any such payments or benefits, collectively, the "Total Payments"), would be subject to the excise tax imposed by Section 4999 of the Code or any interest or penalties with respect to such excise tax (such excise tax, together with any such interest or penalties, are collectively referred to as the "Excise Tax"), then Employee shall be

entitled to receive (a) such lesser amount as would result in no portion of such payments or benefits being subject to the Excise Tax or (b) if the Total Payments (without regard to clause (a)), reduced by all applicable taxes (including, for the avoidance of doubt, the Excise Tax), would be greater than the lesser amount described in clause (a) reduced by all taxes applicable thereto, the Total Payments. If the Total Payments must be reduced as provided in clause (a) of the previous sentence, the reduction shall occur in the following order (on a pro rata basis among payments or benefits within each category, except as provided below): (i) reduction of cash payments for which the full amount is treated as a "parachute payment" (as defined under Section 280G); (ii) cancellation of accelerated vesting (or, if necessary, payment) of cash payments for which the full amount in not treated as a parachute payment; (iii) reduction of any continued employee benefits; and (iv) cancellation of any accelerated vesting of equity awards. In selecting the equity awards (if any) for which vesting will be reduced under clause (iv) of the preceding sentence, awards shall be selected in a manner that maximizes the after-tax aggregate amount of reduced Total Payments provided to Employee, provided that if (and only if) necessary in order to avoid the imposition of an additional tax under Section 409A of the Code, awards instead shall be selected in the reverse order of the date of grant. If two or more equity awards are granted on the same date, each award will be reduced on a pro-rata basis. Employee and the Company Group shall furnish such documentation and documents as may be necessary for LifeStance's independent external accountants or other advisors to perform the requisite Code Section 280G computations and analysis. LifeStance shall bear the costs of performing any calculations contemplated by this Section 16.

17. Complete Agreement. All of Employee, Alert5, LifeStance and the Company agree that the Separation Documents contain the entire agreement and understanding among them concerning the subject matter hereof, and that the Separation Documents supersede and replace all prior negotiations, proposed agreements, agreements or representations (other than, for the avoidance of doubt, the Restrictive Covenants, which shall continue in effect in accordance with their terms, as such terms are modified by the Separation Documents). Except as set forth in the proceeding sentence, LifeStance, the Company, Alert5 and Employee agree and acknowledge that none of LifeStance, the Company, Alert5, Employee, nor any agent or attorney of any of them, has made any representation, warranty, promise or covenant whatsoever, express or implied, not contained in this Agreement, to induce the other to execute this Agreement.

18. Attorneys' Fees. Employee, Alert5, the Company and LifeStance agree that in the event that a dispute shall arise concerning this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party all attorneys' fees and costs incurred by the prevailing party in connection with such dispute, regardless of whether such dispute results in the filing of a lawsuit. Within sixty (60) days of the Termination Date, the Company Group shall reimburse Employee for any and all reasonable attorneys' fees and related costs paid in connection with his negotiation and execution of the Separation Documents, up to a maximum amount of $10,000; provided, that Employee submits all supporting documentation required under the Company Group's reimbursement procedures and practices.

19. Choice of Law. Employee, Alert5, the Company and LifeStance agree that this Agreement, and any claims related to this Agreement, and/or Employee's employment relationship with LifeStance, whether such claims are in the nature of tort, contract, or otherwise, shall be construed in accordance with the laws of the State of Arizona.

20. Venue. Employee, Alert5, the Company and LifeStance consent and submit to the jurisdiction of any state or federal court of the State of Arizona in any action or proceeding

arising out of, or related in any way to, this Agreement. The parties hereto waive any right they may have to contest the personal jurisdiction of the courts of the State of Arizona. The parties hereto agree that all claims of whatever type arising out of, or related in any way to, this Agreement, the employment relationship between Employee and LifeStance, or the termination of that relationship by LifeStance shall be brought exclusively in a state or federal court in Maricopa County, Arizona. The parties hereto waive any defense of inconvenient forum to the maintenance of any action or proceedings so brought, and waive any bond, surety, or other security that might be required of any party. The parties hereto each agree that if any action or proceeding arising out of, or related in any way to, this Agreement is brought in any other court or forum other than a state or federal court in Maricopa County, Arizona, the action or proceeding shall be dismissed with prejudice and the party bringing the action or proceeding shall pay the other party's legal fees and costs.

21. Acknowledgment. Employee and Alert 5 each acknowledge that he or it has read this Agreement carefully and that he or it fully understands this Agreement. Employee and Alert 5 each acknowledge that he or it has executed this Agreement voluntarily and of his or its own free will, and that he or it is knowingly and voluntarily releasing and waiving all claims he or it may have against LifeStance and any other Releasee.

22. Headings. The headings appearing in this Agreement are solely for the convenience of the reader and shall not affect the interpretation or meanings of the provisions set forth.

23. Counterpart Originals. This Agreement may be executed in counterparts, which together will be considered one document. A facsimile or electronic signature shall be deemed an original signature.

24. Waiver and Revocation. Employee is advised that this Agreement specifically refers to rights and claims arising under the Age Discrimination in Employment Act ("ADEA"), 29 U.S.C. § 626(f)(1)(F)(i), Employee has twenty-one (21) days in which to consider the terms of this Agreement and to consult with Employee's attorney. Pursuant to 29 C.F.R. § 1625.22(e)(6), Employee may knowingly and voluntarily waive the twenty-one (21) day pre-execution consideration period set forth in 29 U.S.C. § 626(f)(1)(F)(i) if Employee chooses to execute this Agreement before the expiration of such period. Pursuant to 29 U.S.C. § 626(f)(1)(G), Employee will have seven (7) days after Employee's execution of this Agreement to revoke the ADEA portion of this Agreement. If Employee elects to so revoke the ADEA portion of this Agreement, Employee shall contact LifeStance immediately. In the event Employee revokes his Agreement, Employee and Alert5 will not receive the Separation Consideration.

25. Effective Date. This Agreement shall become effective as of the date Employee executes it or, with respect to the ADEA portion of this Agreement, the date that is seven (7) days after Employee's execution of this Agreement.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Separation and Release of Claims Agreement.

LIFESTANCE HEALTH GROUP, INC.
LIFESTANCE HEALTH, INC.

By: /s/ Ryan Pardo
Ryan Pardo
Chief Legal Officer, Vice President and Secretary

ALERT5 CONSULTING LLC

By: /s/ Michael K. Lester
Michael K. Lester
Manager

MICHAEL K. LESTER

By: /s/ Michael K. Lester
Michael K. Lester

Date: September 7, 2022

Exhibit A

Consulting Agreement

Exhibit B

RSU Amendment

Exhibit C

Stock Transfer Amendment

Exhibit D

2022 RSU Amendment

Exhibit E

PSU Amendment

Exhibit F

RSA Amendment

Exhibit 10.2

LIFESTANCE HEALTH GROUP, INC.

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (this “Agreement”), made and entered into as of September 8, 2022 (the “Effective Date”), among LifeStance Health Group, Inc. (“Company”), on the one hand, and Alert5 Consulting LLC (“Contractor”), a Washington limited liability company, and Michael K. Lester (“Lester”), on the other hand, contains the terms and conditions on which Contractor will provide certain Services (as hereinafter defined) to Company. In consideration of the promises and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties agree as follows:

1.Services. The specific engagement scope, services, and fees are set forth in Exhibit A attached hereto and hereby made a part of this Agreement (“Services”). Time is of the essence in this Agreement. Contractor agrees to devote as much business time as is necessary to properly perform any services hereunder. Contractor and Lester agree that Lester shall perform all Services under this Agreement. Company agrees that, so long as Contractor continues to provide Services pursuant to this Agreement, Lester shall continue to vest in Lester’s outstanding equity awards in accordance with their terms, treating such Services as “Employment” or “Service” (each as defined in the applicable award agreement), as applicable, thereunder.

2.Ownership. All original written material and deliverables produced by Contractor as part of the Services or during the course of its performance hereunder shall be the property of Company with all rights to use, reproduce, display, distribute, modify and make derivative works in any form and may be utilized outside of this Agreement by Contractor only with Company’s prior written approval. All work product produced, unless otherwise noted by Contractor in writing, is original and Contractor irrevocably assigns, grants and sells all right, title and interest to such work product, along with all rights to copyright, register for trademark, use, publish and republish in all forms of media, to Company and its assigns.

3.Term and Termination.

(a) Term. This Agreement will commence on the Effective Date and unless earlier terminated as provided herein, shall continue until the End Date set forth in Exhibit A.

(b) Termination by Either Party without Cause. This Agreement may be terminated by either Company or Contractor upon ten (10) days’ advance written notice to the other party. For purposes of this Agreement, “Cause” is defined as any willful act or willful omission by Lester or Contractor that results in, or would reasonably be expected to result in, harm to Company’s business or reputation. Nothing herein relieves Company of any of its obligations under that certain Separation and Release of Claims Agreement, dated September 7, 2022 entered into by and among Company, Contractor, Lester and LifeStance Health, Inc. (including all attachments thereto, the “Separation Agreement”) and nothing herein relieves Lester of any of his obligations under the Separation Agreement.

(c) Termination by Company for Cause. Company may terminate this Agreement at any time, without advance notice to Contractor, for Cause.

(d) Termination by Contractor for Cause. Contractor may terminate this Agreement at any time, without advance notice to Company, in the event that any of the following circumstances arise: (i) Lester is no longer able (including as a result of death or disability as reasonably determined by Company) to provide the Services; or (ii) Company materially breaches this Agreement.

(e) Compensation upon Termination. Upon any termination of this Agreement prior to the End Date set forth on Exhibit A, Company will pay Contractor any amounts earned but not yet paid for actual Services rendered by Contractor prior to the effective date of termination, within fifteen (15) days following the termination date or such earlier date as required by applicable law. Except as expressly provided herein, Contractor shall not be entitled to any compensation, reimbursement or payment from Company or any of its affiliates under this Agreement from and after the date of termination of this Agreement. In addition, in the event Company terminates this Agreement for any reason other than for Cause prior to the End Date set forth on Exhibit A, and provided that Contractor and Lester do not breach any Restrictive Covenant (as defined in the Separation Agreement), Company shall pay Contractor, within fifteen (15) days following such termination, the Fees set forth on Exhibit A that would have been payable through such End Date.

4.Fees. Contractor shall be paid for the Services as set forth in Exhibit A. Contractor shall invoice Company as set forth on Exhibit A.

5.Independent Contractor Relationship. Contractor and Company expressly agree that, in providing services to Company under this Agreement, Contractor will be an independent contractor and will not be an employee or agent of Company or any of its affiliates. Contractor agrees that Contractor will have no right to make any commitments on behalf of Company or any of its affiliates without the express written consent of an authorized officer of Company. Contractor further agrees that Contractor will provide services hereunder independently and will not receive training or direction from Company or any of its affiliates, other than as to the goals to be achieved through the provision of such services. Contractor is free to accept engagements from others during the term of this Agreement, as long as those engagements do not interfere with Contractor providing services under this Agreement or otherwise violate any of Contractor's obligations hereunder or under any other agreement between Contractor or Lester and Company or any of its affiliates. Because Contractor is engaged in its own independently established business, Contractor and Lester are not eligible for, and shall not participate in, any employee pension, health, or other fringe benefit plan of Company, except as provided in the Separation Agreement. Contractor and Lester shall not be treated as employees of Company for federal or state tax purposes or unemployment compensation coverage purposes. Under no circumstances shall Lester be considered a Company employee or agent. Contractor warrants that it has and will comply with all federal, state and local laws regarding business permits, insurance, tax registrations, certificates and licenses that may be required to carry out the services.

6.Performance of Obligations. Contractor shall perform, and represents and warrants that Lester will perform, the Services in a diligent, trustworthy, professional and efficient manner. Contractor shall at all times perform its obligations hereunder in such a manner as to not cause Company to be in material violation of any applicable laws or regulations.

7.Confidential Information. Except as otherwise provided in this Agreement or with the prior written consent of Company, Confidential Information shall remain strictly confidential and secret and shall not be disclosed to third parties, or utilized, directly or indirectly, by Contractor for its

own business purposes or for any other purpose. “Confidential Information” includes all Company information provided to Contractor or to which Contractor may have access to (including information gathered in connection with the Services or otherwise by Lester), including without limitation, business and financial information of any kind, patient information of any kind, vendor lists, pricing information, business strategies and methods, business projections/forecasts and documents, marketing studies, profits, costs, pricing, advertising copy, business plans and records, trade secrets, technical and non technical data, business statistics and computer code, whether written or oral, tangible or intangible, whether or not such Confidential Information is designated as being confidential as well as any deliverables and any other material prepared under this Agreement by Contractor; provided, however, that the term “Confidential Information” shall not include information that (a) is generally known by or available to the public or which becomes known or available by means other than the breach hereof; (b) is legally known to Contractor prior to the time Contractor receives such information from Company; or (c) is legally disclosed to Contractor by an independent third party without restriction on disclosure. Notwithstanding the foregoing, Contractor is permitted to deliver a copy of any such information to any person pursuant to an order issued by a court of competent jurisdiction or administrative agency or otherwise as required by applicable law, provided that Company has been given reasonable notice thereof and the opportunity to prevent the disclosure of such information. Contractor acknowledges and agrees that breach of this Section may cause irreparable harm to Company for which recovery of money damages may be inadequate, and Company may be entitled to seek timely injunctive relief to protect its rights under this Section, in addition to any and all other remedies available at law or in equity.

8.Indemnity. Contractor agrees to protect, defend, hold harmless and indemnify Company, its directors, officers, employees, affiliates and their respective representatives from and against any and all claims, demands, actions, liabilities, damages, losses, fines, penalties, costs and expenses including reasonable attorneys’ fees (collectively the “Claims”), of any kind whatsoever including, without limitation of the foregoing, those relating to actual or alleged death of or injury to persons and damage to property, actually or allegedly, directly or indirectly, arising or resulting from or connected with: (a) a breach of this Agreement by Contractor or Lester; (b) the Services and/or the omission or commission of any act, lawful or unlawful, by Contractor or Lester (including without limitation while proceeding to or from the site of any Services) whether or not such act is within the scope of the agency or employment of such agents or employees; (c) insurance or tax requirements imposed on Company based upon Contractor’s services rendered, including any taxes owed with respect to compensation paid to Contractor pursuant to the terms of this Agreement and any liabilities arising from a determination that either Alert5 and/or Lester was improperly classified or treated as an independent contractor, as well as any interest, penalties or related expenses; (d) any Claim that any Services, work product or deliverable provided by Contractor infringes upon any patent, trademark, trade secret, copyright or similar proprietary right.

9.Insurance. Contractor will procure and maintain during the period of this Agreement and so long as any indemnity survives, such insurance as is reasonably and customary for similarly situated independent contractors.

10.Assignment. In the event of any sale or transfer of the assets or stock of Company, Company shall have the right to assign this Agreement and/or its rights hereunder to an acquirer and no consent to assign this Agreement shall be necessary for such assignment to be effective. The sale to any acquirer shall not be conditioned upon the acquirer’s acceptance of or continuation of this

Agreement. Contractor may not assign this Agreement, nor subcontract any of its obligations hereunder, without the prior written consent of Company.

11.Section 409A.

(a) This Agreement and the payments and benefits provided hereunder are intended to be exempt from, or comply with, the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and shall be construed consistently with that intent. Notwithstanding the foregoing, in no event shall Company have any liability relating to the failure or alleged failure of any payment or benefit under this Agreement to be exempt from, or comply with, the requirements of Section 409A of the Code. Each payment made under this Agreement shall be treated as a separate payment and the right to a series of installment payments under this Agreement shall be treated as a right to a series of separate payments.

(b) Any reimbursement for expenses payable to Contractor hereunder that would constitute nonqualified deferred compensation subject to Section 409A of the Code shall be subject to the following additional rules: (i) no reimbursement of any such expense shall affect Contractor's right to reimbursement of any such expense in any other taxable year; (ii) reimbursement of the expense shall be made, if at all, promptly, but not later than the end of the calendar year following the calendar year in which the expense was incurred; and (iii) the right to reimbursement shall not be subject to liquidation or exchange for any other benefit.

(c) If Contractor or Lester is a "specified employee" (as defined below) at the time of Contractor's or Lester's "separation from service" (as defined below), any payments or benefits that are payable under this Agreement or otherwise on account of Contractor's or Lester's separation from service that would (but for this provision) be payable within six (6) months following the date of such separation from service, shall instead be paid on the next business day following the expiration of such six (6)-month period or, if earlier, upon Lester's death; except (i) to the extent of amounts that do not constitute a deferral of compensation within the meaning of Section 1.409A-1(b) of the Treasury Regulations (including without limitation by reason of the safe harbor set forth in Section 1.409A-1(b)(9)(iii), as determined by Company in its reasonable good faith discretion); (ii) benefits which qualify as excepted welfare benefits pursuant to Section 1.409A-1(a)(5) of the Treasury Regulations; or (iii) other amounts or benefits that are not subject to the requirements of Section 409A of the Code.

(d) For purposes of this Agreement, the term "separation from service" shall have the meaning set forth in Section 1.409A-1(h) of the Treasury Regulations (after giving effect to the presumptions contained therein), and the term "specified employee" means an individual determined by Company to be a specified employee under Section 1.409A-1(i) of the Treasury Regulations.

12.Miscellaneous.

(a) Entire Agreement. This Agreement, the attached Exhibit A, and those documents expressly referred to herein embody the complete agreement and understanding among the parties with respect to, and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way, including any prior consulting agreement, by and between Contractor and Company or any of its affiliates, including, for the avoidance of doubt, the Independent

Consulting Agreement among Lester, Contractor, and LifeStance Health, Inc., dated June 1, 2020. Notwithstanding anything herein to the contrary, Contractor and Lester acknowledge and agree that nothing herein supersedes the Separation Agreement, including any confidentiality, non-competition, non-solicitation, non-disparagement, invention assignment or other restrictive covenants in favor of the Company or its affiliates as described or provided for therein.

(b) Amendments. No amendments or other variation to this Agreement shall be effective unless in writing and signed by an authorized person on behalf of each party.

(c) Governing Law. This Agreement shall in all respects be governed by and construed in accordance with the laws of the State of Arizona, except as to its conflicts of laws provisions. The parties hereby consent to the exercise of exclusive jurisdiction by the state or federal courts located in Maricopa County, Arizona for any claim hereunder.

(d) Severability. If any provision of this Agreement is determined to be unenforceable or invalid, the remaining provisions of this Agreement shall remain in full force and effect.

(e) Notices. Any notices required under this Agreement shall be in writing. Notices shall be delivered in person or sent by overnight courier or by U.S. Mail addressed to the addresses as set forth below. Notice shall be effective upon delivery if delivered in person or sent by overnight courier or two days after being mailed, postage prepaid, by certified mail, return receipt requested.

If to Company:
LifeStance Health Group, Inc.
10655 NE 4th St
Suite 901
Bellevue, WA 98004

If to Contractor:
Alert5 Consulting LLC
11125 E Feathersong Ln
Scottsdale, AZ 85255
Attn: Michael K Lester

If to Lester:
Stoel Rives, LLP
600 University Street, Suite 3600
Seattle, WA 98101
Attn: James Shore

(f) No Waiver. The waiver by either party of any breach of this Agreement, or any warranty herein contained, shall not be construed as a waiver of any subsequent breach. Such party's failure to exercise any rights hereunder shall not operate as a waiver of such right.

(g) Survival. Sections 2, 5, 7, 8, 9, 10, 11 and 12 of this Agreement shall survive the termination or expiration of this Agreement for any reason.

AGREED AS OF THE DATE FIRST SET FORTH ABOVE:

LifeStance Health Group, Inc.

By: /s/ Ryan Pardo
Ryan Pardo
Chief Legal Officer, Vice President and Secretary
Date: September 8, 2022

Alert5 Consulting LLC

By: /s/ Michael K. Lester
Name: Michael K. Lester
Title: Manager
Date: September 8, 2022

Michael K. Lester

By: /s/ Michael K. Lester
Michael K. Lester
Date: September 8, 2022

EXHIBIT A

End Date: September 7, 2023

Services: Such transition assistance, M&A and business development advisory and other services as requested, and in the scope determined by, Company (collectively, the "Services").

Fees: $50,933.33 per month payable in accordance with Company's ordinary accounts payable practices.

LIFESTANCE HEALTH GROUP, INC.
2021 EQUITY INCENTIVE PLAN

AMENDMENT TO
RESTRICTED STOCK UNIT AWARD AGREEMENT

THIS AMENDMENT (this "**Amendment**") amends the Restricted Stock Unit Award Agreement by and between LifeStance Health Group, Inc. (the "**Company**"), and Michael Lester (the "**Participant**"), dated June 9, 2021 (the "**Agreement**"), and is effective as of September 7, 2022 (the "**Effective Date**"). Any capitalized term not defined herein shall have the meaning provided in the Agreement.

RECITALS

WHEREAS, pursuant to the Agreement, the Participant was granted 1,652,963 restricted stock units on the terms provided therein and in the Plan; and

WHEREAS, the parties now desire to amend the Agreement to modify the vesting schedule of such restricted stock units.

NOW, THEREFORE, in consideration of the mutual agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Participant hereby agree as follows:

1. Section 3 of the Agreement is hereby amended and restated in its entirety to read as follows:

"Vesting; Cessation of Employment.

(a) Subject to the Participant's continued Employment (which term shall include for purposes of this Agreement, for the avoidance of doubt, the Participant's indirect services to the Company through Alert5 Consulting, LLC) through each applicable vesting date, (i) thirty-three and one-third percent (33⅓%) of the Restricted Stock Units shall vest on the first anniversary of the Date of Grant; (ii) an additional thirty-three and one-third percent (33⅓%) of the Restricted Stock Units shall vest on the second anniversary thereof; and (iii) the final thirty-three and one-third percent (33⅓%) of the Restricted Stock Units shall vest on the third anniversary thereof, such that the Restricted Stock Units will be one hundred percent (100%) vested on the third (3rd) anniversary of the Date of Grant.

(b) If the Participant's Employment is terminated by the Company for any reason other than for Cause or terminates as a result of the consulting period under the Consulting Agreement, dated September 8, 2022, among the Participant, the Company and Alert5 Consulting LLC, terminating on the End Date (as defined in such agreement) in accordance with its terms, and provided that the Participant does not breach any Restrictive Covenant (as defined in the Separation Agreement and General Release, dated September 7, 2022, among the Participant, the Company, LifeStance Health, Inc., and Alert5 Consulting LLC), the Restricted Stock Units shall vest in full upon such termination of Employment. If the Participant's Employment is terminated by the Company for Cause, the Participant terminates his Employment for any reason prior to the

End Date or the Participant breaches any Restrictive Covenant, the portion of the Award then outstanding, if any, will terminate and be forfeited for no consideration.

(c) Change in Control. Notwithstanding anything to the contrary, if a Change in Control (as such term is defined in the LifeStance Severance and Change in Control Policy (the 'Policy')) is consummated within six (6) months following the Effective Date, provided that the Participant's Employment has not been terminated for Cause and the Participant does not breach any Restrictive Covenant, the Restricted Stock Units shall treated as set forth in the Policy as if the Participant had incurred a Qualifying Termination within the Change in Control Period (as such terms are defined in the Policy)."

Except as expressly set forth in this Amendment, the Agreement will continue in full force and effect in accordance with its terms. This Amendment sets forth the entire understanding of the parties, and, as of the date of this Amendment, supersedes all prior agreements and all other arrangements and communications, whether oral or written, with respect to the subject matter hereof. This Amendment may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Amendment is a Delaware contract and shall be governed by and enforced in accordance with the laws of the State of Delaware, without giving effect to any choice or conflict of law provisions (whether Delaware or any other jurisdiction) that would cause the application of the laws of any other jurisdiction other than Delaware.

[Signature Page to Amendment Follows]

IN WITNESS WHEREOF, the Company and the Participant have executed and delivered this Amendment as of the date first written above.

THE COMPANY:

LifeStance Health Group, Inc.

Signature:	/s/ Ryan Pardo
Name:	Ryan Pardo
Title:	Chief Legal Officer, Vice President and Secretary

THE PARTICIPANT:

Signature:	/s/ Michael Lester
	Michael Lester

Exhibit 10.4

AMENDMENT TO
STOCK TRANSFER RESTRICTION AGREEMENT

THIS AMENDMENT TO THE STOCK TRANSFER RESTRICTION AGREEMENT (this *"**Amendment**"*) is made as of September 7, 2022, by and among LifeStance Health Group, Inc., a Delaware limited liability company (the *"**Company**"*), TPG VIII Lynnwood Holdings Aggregation, L.P. ("***TPG***"), and Michael Lester ("***Lester***" and collectively with the Company and TPG, the "***Parties***"). Any capitalized term not defined herein shall have the meaning given it in the Stock Transfer Restriction Agreement between the Parties and certain other parties, dated June 9, 2021 (the "***Agreement***").

RECITALS

WHEREAS, the Parties wish to modify certain terms of the Agreement solely with respect to Lester;

NOW, THEREFORE, the Parties in consideration of the value to the Parties of this Amendment and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

AGREEMENT

1.Transfer Restrictions. Solely with respect to Lester, effective on September 7, 2022, Section 2.2 of the Agreement is hereby amended and restated in its entirety to read as follows:

> "Management Investors. Until the two (2)-year anniversary of the closing of Initial Public Offering, no Management Investor shall Transfer a number of Shares exceeding the greater of: (i) that number of Shares the Transfer of which would result in the Relative Ownership Percentage of such Management Investor immediately following such Transfer being less than the Relative Ownership Percentage of the TPG Investor immediately following such Transfer; and (ii) ten percent (10%) of the Vested Equity of such Management Investor at the time of Transfer, in any three-month period (for the avoidance of doubt, excluding any Excluded Transfers)."

2.Remainder of Agreement Unaffected. Except to the extent expressly stated herein, the Agreement shall remain in full force and effect as written.

3.Facsimile and Counterpart Signature Pages. This Amendment may be executed by facsimile and in one or more counterparts, each of which counterparts will be deemed to be an original and all of which, which taken together, will be deemed to constitute one in the same agreement.

[Signature Page to Amendment Follows]

IN WITNESS WHEREOF, the Company and Lester have executed and delivered this Amendment as of the first date written above.

THE COMPANY:

LifeStance Health Group, Inc.

Signature: /s/ Ryan Pardo
Name: Ryan Pardo
Title: Chief Legal Officer, Vice President and Secretary

TPG:

TPG VIII Lynnwood Holdings Aggregation, L.P.
By: TPG GenPar VIII, L.P.
its general partner
By: TPG GenPar VIII Advisors, LLC
its general partner

Signature: /s/ Ken Murphy
Name: Ken Murphy
Title: Chief Operating Officer

LESTER:

Signature: /s/ Michael Lester
Michael Lester

Exhibit 10.5

LIFESTANCE HEALTH GROUP, INC.
2021 EQUITY INCENTIVE PLAN

AMENDMENT TO
TIME AND PERFORMANCE-BASED RESTRICTED STOCK UNIT AWARD AGREEMENT (TIME-BASED AWARD)

THIS AMENDMENT (this "**Amendment**") amends the Time and Performance-Based Restricted Stock Unit Award Agreement (Time-Based Award) by and between LifeStance Health Group, Inc. (the "**Company**") and Michael Lester (the "**Participant**"), dated April 25, 2022 (the "**Agreement**"), and is effective as of September 7, 2022 (the "**Effective Date**"). Any capitalized term not defined herein shall have the meaning provided in the Agreement.

RECITALS

WHEREAS, pursuant to the Agreement, the Participant was granted 289,080 restricted stock units on the terms provided therein and in the Plan; and

WHEREAS, the parties now desire to amend the Agreement to modify the vesting schedule of such restricted stock units.

NOW, THEREFORE, in consideration of the mutual agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Participant hereby agree as follows:

1.Section 3 of the Agreement is hereby amended and restated in its entirety to read as follows:

"

(a) RSUs. Unless earlier terminated, forfeited or relinquished, subject to the Participant's continued Employment (which term shall include for purposes of this Agreement, for the avoidance of doubt, the Participant's indirect services to the Company through Alert5 Consulting LLC) through each applicable vesting date, one-fourth (1/4) of the RSUs shall vest on each of the first four anniversaries of the Vesting Commencement Date, such that one hundred percent (100%) of the RSUs shall be vested on the fourth anniversary of the Vesting Commencement Date.

(b) Cessation of Employment. If the Participant's Employment is terminated by the Company for any reason other than for Cause or terminates as a result of the consulting period under the Consulting Agreement, dated September 8, 2022, among the Participant, the Company and Alert5 Consulting LLC, terminating on the End Date (as defined in such agreement) in accordance with its terms, and provided that the Participant does not breach any Restrictive Covenant (as defined in the Separation and General Release Agreement, dated September 7, 2022, among the Participant, the Company, LifeStance Health, Inc., and Alert5 Consulting LLC), (i) the RSUs ordinarily scheduled to vest on or prior to the one-year anniversary of the End Date (without regard to any accelerated vesting except as described in clause (c) below) shall vest in full upon such termination of Employment and (ii) if

such termination occurs within six (6) months following the Effective Date, the unvested portion of the Award (after giving effect to any acceleration pursuant to clause (b)(i)) will remain outstanding and eligible to vest until the six (6)-month anniversary of the Effective Date in accordance with the terms of clause (c) below and, to the extent not vested at the end of such six (6)-month period, shall terminate and be forfeited for no consideration. If the Participant's Employment is terminated by the Company for Cause, the Participant terminates his Employment for any reason prior to the End Date or the Participant breaches any Restrictive Covenant, the portion of the Award then outstanding, if any, will terminate and be forfeited for no consideration.

(c) Change in Control. Notwithstanding anything to the contrary, if a Change in Control (as such term is defined in the LifeStance Severance and Change in Control Policy (the 'Policy')) is consummated within six (6) months following the Effective Date, provided that the Participant's Employment has not been terminated for Cause and the Participant does not breach any Restrictive Covenant, the RSUs shall be treated as set forth in the Policy as if the Participant had incurred a Qualifying Termination within the Change in Control Period (as such terms are defined in the Policy)."

Except as expressly set forth in this Amendment, the Agreement will continue in full force and effect in accordance with its terms. This Amendment sets forth the entire understanding of the parties, and, as of the date of this Amendment, supersedes all prior agreements and all other arrangements and communications, whether oral or written, with respect to the subject matter hereof. This Amendment may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Amendment is a Delaware contract and shall be governed by and enforced in accordance with the laws of the State of Delaware, without giving effect to any choice or conflict of law provisions (whether Delaware or any other jurisdiction) that would cause the application of the laws of any other jurisdiction other than Delaware.

[Signature Page to Amendment Follows]

IN WITNESS WHEREOF, the Company and the Participant have executed and delivered this Amendment as of the date first written above.

THE COMPANY:

LifeStance Health Group, Inc.

Signature:	/s/ Ryan Pardo
Name:	Ryan Pardo
Title:	Chief Legal Officer, Vice President and Secretary

THE PARTICIPANT:

Signature:	/s/ Michael Lester
	Michael Lester

LIFESTANCE HEALTH GROUP, INC.
2021 EQUITY INCENTIVE PLAN

AMENDMENT TO
TIME AND PERFORMANCE-BASED RESTRICTED STOCK UNIT AWARD AGREEMENT (PERFORMANCE-BASED AWARD)

THIS AMENDMENT (this *"***Amendment***"*) amends the Time and Performance-Based Restricted Stock Unit Award Agreement (Performance-Based Award) by and between LifeStance Health Group, Inc. (the *"***Company***"*) and Michael Lester (the "**Participant**"), dated April 25, 2022 (the "**Agreement**"), and is effective as of September 7, 2022 (the "**Effective Date**"). Any capitalized term not defined herein shall have the meaning provided in the Agreement.

RECITALS

WHEREAS, pursuant to the Agreement, the Participant was granted 578,158 restricted stock units on the terms provided therein and in the Plan; and

WHEREAS, the parties now desire to amend the Agreement to modify the vesting schedule of such restricted stock units.

NOW, THEREFORE, in consideration of the mutual agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Participant hereby agree as follows:

1.Section 3 of the Agreement is hereby amended and restated in its entirety to read as follows:

"

(a) PSUs. Unless earlier terminated, forfeited or relinquished, subject to the Participant's continued Employment (which term shall include for purposes of this Agreement, for the avoidance of doubt, the Participant's indirect services to the Company through Alert5 Consulting LLC) through the date on which the vesting is determined for a specific Measurement Year (the '**PSU Vesting Date**'), the PSUs subject to the Award for the specific Measurement Year will vest in accordance with Schedule A hereto.

(b) Cessation of Employment. If the Participant's Employment is terminated by the Company for any reason other than for Cause or terminates as a result of the consulting period under the Consulting Agreement, dated September 8, 2022, among the Participant, the Company and Alert5 Consulting LLC, terminating on the End Date (as defined in such agreement) in accordance with its terms, and provided that the Participant does not breach any Restrictive Covenant (as defined in the Separation and General Release Agreement, dated September 7, 2022, among the Participant, the Company, LifeStance Health, Inc., and Alert5 Consulting LLC), if such termination occurs within six (6) months following the Effective Date, the unvested portion of the Award will remain outstanding and eligible to vest until the six (6)-month anniversary of the Effective Date in accordance with the terms of

clause (c) below and, to the extent not vested at the end of such six (6)-month period, shall terminate and be forfeited for no consideration. If the Participant's Employment is terminated by the Company for Cause, the Participant terminates his Employment for any reason prior to the End Date or the Participant breaches any Restrictive Covenant, the portion of the Award then outstanding, if any, will terminate and be forfeited for no consideration.

(c) Change in Control. Notwithstanding anything to the contrary, if a Change in Control (as such term is defined in the LifeStance Severance and Change in Control Policy (the 'Policy')) is consummated within six (6) months following the Effective Date, provided that the Participant's Employment has not been terminated for Cause and the Participant does not breach any Restrictive Covenant, the PSUs shall be treated as set forth in the Policy as if the Participant had incurred a Qualifying Termination within the Change in Control Period (as such terms are defined in the Policy)."

Except as expressly set forth in this Amendment, the Agreement will continue in full force and effect in accordance with its terms. This Amendment sets forth the entire understanding of the parties, and, as of the date of this Amendment, supersedes all prior agreements and all other arrangements and communications, whether oral or written, with respect to the subject matter hereof. This Amendment may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Amendment is a Delaware contract and shall be governed by and enforced in accordance with the laws of the State of Delaware, without giving effect to any choice or conflict of law provisions (whether Delaware or any other jurisdiction) that would cause the application of the laws of any other jurisdiction other than Delaware.

[Signature Page to Amendment Follows]

IN WITNESS WHEREOF, the Company and the Participant have executed and delivered this Amendment as of the date first written above.

THE COMPANY:

LifeStance Health Group, Inc.

Signature:	/s/ Ryan Pardo
Name:	Ryan Pardo
Title:	Chief Legal Officer, Vice President and Secretary

THE PARTICIPANT:

Signature:	/s/ Michael Lester
	Michael Lester

LIFESTANCE HEALTH GROUP, INC.

AMENDMENT TO
NOTICE OF AMENDED AWARD TERMS

THIS AMENDMENT (this *"***Amendment***"*), effective as of September 7, 2022, amends that certain Notice of Amended Award Terms (the "**Notice**"), dated June 9, 2021, which describes certain amendments to the Partnership Interest Award Agreement (as amended and/or amended and restated from time to time, including as amended by the Notice, the "**Award Agreement**") between Michael Lester ("**you**") and LifeStance TopCo, L.P. (the "**Partnership**") and the Class B Units you received under such Award Agreement (collectively, the "**Award**") in connection with the initial public offering of shares of common stock of LifeStance Health Group, Inc. ("**LifeStance**") and the related organizational transactions (together, the "**IPO**"). The Partnership, its subsidiaries, and LifeStance are collectively referred to in this Amendment as the "**Company**". Any capitalized term not defined herein shall have the meaning provided in the Award Agreement.

RECITALS

WHEREAS, in connection with the IPO, the Class B Units in the Partnership held by you were exchanged for shares of common stock of LifeStance subject to the same vesting conditions as had applied to such Class B Units, as modified by and described in the Notice; and

WHEREAS, the parties now desire to amend the Award Agreement, as modified by the Notice, to modify the vesting provisions applicable to such shares of restricted common stock.

NOW, THEREFORE, in consideration of the mutual agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, LifeStance and you hereby agree as follows:

1. The Time Interests shall vest in full as of the date hereof.

2. For the avoidance of doubt, for all purposes of the Award Agreement and the Notice, the indirect services provided by you through Alert5 Consulting, LLC to LifeStance shall be considered "Services".

3. Section 4 of the Notice is hereby amended and restated in its entirety to read as follows:

"**Good Leaver Termination.** Subject in all respects to your timely execution and non-revocation of a general release of claims and your continued compliance in all material respects with all applicable restrictive covenants in favor of the Company by which you are bound, upon the termination of Alert5's consulting services by the Company for any reason other than for Cause or if such services terminate as a result of the consulting period under the Consulting Agreement, dated September 8, 2022, among you, the Company and Alert5 Consulting LLC, terminating on the End Date (as defined in such agreement) in accordance with its terms, and provided that you do not breach any Restrictive Covenant (as defined in the Separation Agreement and General Release, dated September 7, 2022, among you, the Company, LifeStance Health, Inc., and Alert5 Consulting LLC), your

unvested Performance Interests shall remain eligible to vest for six (6) months following the End Date, and any unvested Performance Interest that do not vest within such six (6)-month period in accordance with their terms shall terminate and shall no longer be eligible to vest following such six (6)-month anniversary."

Except as expressly set forth in this Amendment, the Award Agreement will continue in full force and effect in accordance with its terms. This Amendment sets forth the entire understanding of the parties, and, as of the date of this Amendment, supersedes all prior agreements and all other arrangements and communications, whether oral or written, with respect to the subject matter hereof. This Amendment may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Amendment is a Delaware contract and shall be governed by and enforced in accordance with the laws of the State of Delaware, without giving effect to any choice or conflict of law provisions (whether Delaware or any other jurisdiction) that would cause the application of the laws of any other jurisdiction other than Delaware.

[Signature Page to Amendment Follows]

IN WITNESS WHEREOF, LifeStance and you have executed and delivered this Amendment as of the date first written above.

LIFESTANCE:

LifeStance Health Group, Inc.

Signature:	/s/ Ryan Pardo
Name:	Ryan Pardo
Title:	Chief Legal Officer, Vice President and Secretary

By:	/s/ Michael Lester
	Michael Lester

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT (this "Agreement"), by and between LifeStance Health Group, Inc. (the "Company"), a Delaware corporation with its principal place of business in Scottsdale, Arizona, and Kenneth Burdick (the "Executive"), is entered into as of September 7, 2022 and is effective as of the date the Executive actually commences employment with the Company (the "Effective Date"), which is expected to be September 7, 2022.

WITNESSETH

WHEREAS, the Company desires to employ the Executive as its Chief Executive Officer effective as of the Effective Date, and the Executive desires to enter into this Agreement and to accept such employment, subject to the terms and conditions set forth herein; and

WHEREAS, the Executive is willing to enter into this Agreement and agrees that the Executive shall receive good and valuable consideration in exchange for doing so; such consideration includes, but is not limited to, employment with the Company.

NOW, THEREFORE, in consideration of the foregoing premises, the mutual promises, terms, provisions and conditions set forth in this Agreement and other good and valuable consideration, the parties hereby agree as follows:

1. Employment. Subject to the terms and conditions set forth in this Agreement, the Company hereby agrees to employ the Executive, and the Executive hereby accepts the terms of such employment.

2. Term. The Executive's employment under this Agreement shall continue until terminated pursuant to Section 5 hereof.

3. Capacity and Performance.

(a) The Executive shall serve the Company as its Chief Executive Officer, reporting directly to the Board of Directors of the Company (the "Board of Directors"). In addition, and without further compensation, the Executive shall serve as Chairman of the Board of Directors and as a director and/or officer of one or more of the Company's Affiliates (as hereinafter defined) if so elected or appointed from time to time.

(b) The Executive shall be employed by the Company on a full-time basis and shall perform the duties and responsibilities of his positions and such other duties and responsibilities on behalf of the Company and its Affiliates as reasonably may be designated from time to time by the Board of Directors or its designee.

(c) The Executive shall devote substantially all of his business time and his best efforts, business judgment, skill and knowledge exclusively to the advancement of the business and interests of the Company and its Affiliates and to the discharge of his duties and responsibilities hereunder; provided, that, the Executive may continue to make passive personal investments, engage in outside business activities that do not violate the provisions of Sections 7, 8 or 9 hereof or engage in other activities for any charitable or other non-profit institution; provided, that, such

activities do not conflict with the interests of the Company or any of its Affiliates or otherwise interfere, individually or in the aggregate, with the performance of the Executive's duties and responsibilities or the time required for the discharge of those duties and responsibilities; and, provided, further, that the Executive's service as a member of the board of directors or similar governing body of an entity other than the Company shall be subject to the prior written approval of the Board. The Company acknowledges that the Executive's service on the boards of directors listed on Annex A hereto shall not be a breach of this Agreement.

4. Compensation and Benefits. During the Executive's employment hereunder, as compensation for all services performed by the Executive hereunder and subject to performance of the Executive's duties and of the obligations of the Executive to the Company and its Affiliates, pursuant to this Agreement or otherwise:

(a) Base Salary. The Company shall pay the Executive a base salary at the rate of Seven Hundred Thousand Dollars ($700,000) per annum, payable in accordance with the payroll practices of the Company for its executives (the "Base Salary"). The Base Salary will be reviewed by the Board of Directors or, if applicable, the Compensation Committee thereof, at least annually, and may be increased from time to time in the sole discretion of the Board of Directors or Compensation Committee, as applicable.

(b) Incentive and Bonus Compensation. The Executive shall be eligible to receive an annual bonus based upon his performance and that of the Company for each calendar year. The target bonus amount will be a minimum of one hundred percent (100%) of the Executive's then current Base Salary, and the Executive will be eligible for a bonus in excess of one hundred percent (100%) of the Executive's then current Base Salary for exceptional performance. Such bonus shall be based on the Executive's and the Company's achievement of the goals and objectives for the relevant calendar year established by the Board of Directors or, if applicable, the Compensation Committee thereof. The amount of the annual bonus payable to the Executive under this Section 4(b) and the satisfaction of such goals and objectives shall be determined following the conclusion of the relevant calendar year by the Board of Directors or, if applicable, the Compensation Committee thereof, and, if earned, such annual bonus shall be paid not later than two and one-half (2 1/2) months following the end of the calendar year for which the bonus was earned. Notwithstanding the foregoing, for calendar year 2022, any annual bonus shall be prorated for the portion of the calendar year during which the Executive was employed hereunder. Subject to the approval of the Board of Directors or the Compensation Committee thereof, for so long as the Executive continues providing services to the Company, the Executive shall be eligible to receive annual equity or equity-based awards commensurate with his status as an executive officer of the Company, any such equity or equity-based awards to be subject to the terms and conditions of the Company's equity incentive plan then in effect and an agreement with the Executive thereunder, which terms and conditions shall control in the event of any conflict with this Agreement.

(c) Vacations. The Executive shall be entitled to earn vacation at the rate of four (4) weeks per year, to be taken at such times and intervals as shall be determined by the Executive, subject to the reasonable business needs of the Company. Vacation shall otherwise be governed by the policies of the Company, as in effect from time to time.

(d) Other Benefits. The Executive shall be entitled to participate in any and all Employee Benefit Plans (as defined below) from time to time in effect for employees of the Company generally, including group health, disability and life insurance programs, except to the extent any such Employee Benefit Plan is in a category of benefit otherwise provided to the Executive *(e.g.,* a severance pay plan), it being understood that the Executive shall participate in the Company's Severance and Change in Control Policy (as from time to time amended and in effect, the "Severance Policy"), but shall only receive severance payments and benefits under the Severance Policy in connection with a Qualifying Termination within the Change in Control Period (as such terms are defined in the Severance Policy), which severance payments and benefits shall be no less favorable than those in effect on the Effective Date, and in the event of any other termination of the Executive's employment, the Executive shall be entitled to receive only the severance payments and benefits, if any, set forth in this Agreement (i.e., there shall be no duplication of severance payments and benefits). Any such participation shall be subject to the terms of the applicable plan documents and generally applicable Company policies. The Company may alter, modify, add to or delete its Employee Benefit Plans at any time as it, in its sole judgment, determines to be appropriate, without recourse by the Executive. For purposes of this Agreement, "Employee Benefit Plan" shall have the meaning ascribed to such term in Section 3(3) of ERISA, as amended from time to time.

(e) Business Expenses; Private Air Travel. The Company shall pay or reimburse the Executive for all reasonable business expenses (including expenses for business-related travel and business entertainment) incurred or paid by the Executive in the performance of his duties and responsibilities hereunder, including annual access to a maximum of fifty (50) flight hours of private aircraft service for business travel (excluding, for the avoidance of doubt, any travel deemed "commuting" between the Executive's residence and the Company's offices), subject to Company policies on business expenses as in effect from time to time for senior executives and to such reasonable substantiation and documentation as may be specified by the Company from time to time. The Executive's right to payment or reimbursement for business expenses hereunder shall be subject to the following additional rules: (i) the amount of expenses eligible for payment or reimbursement during any calendar year shall not affect the expenses eligible for payment or reimbursement in any other calendar year; (ii) payment or reimbursement shall be made not later than December 31 of the calendar year following the calendar year in which the expense or payment was incurred; and (iii) the right to payment or reimbursement shall not be subject to liquidation or exchange for any other benefit.

5. Termination of Employment and Termination Payments. Upon the termination of the Executive's employment, the Executive shall be entitled to payments under the following circumstances as follows.

(a) Final Compensation. In the event of the termination of the Executive's employment for any reason, the Company shall pay to the Executive or, in the event of the Executive's death, to the Executive's designated beneficiary or, if no beneficiary has been designated by the Executive in writing, to his estate, the following: (i) any Base Salary earned but not paid during the final payroll period of the Executive's employment through the date of the Executive's termination, (ii) pay for any vacation time earned but not used through the date of the Executive's termination, and (iii) any business expenses incurred by the Executive but un-reimbursed on the date of the Executive's termination (provided that such expenses and required substantiation and

documentation are submitted within sixty (60) days of the Executive's termination and are reimbursable under the applicable Company policy in effect at the time) (all of the foregoing, collectively, "Final Compensation"). The payment of Final Compensation shall be made not later than the required payment date under applicable law following the termination of the employment of the Executive.

(b) Death. In the event of the Executive's death, the Executive's employment hereunder shall immediately and automatically terminate and the Company shall pay to the Executive's designated beneficiary or, if no beneficiary has been designated by the Executive in writing, to his estate, the Executive's Final Compensation and, subject to the requirement of a release of claims as provided in Section 5(i) below, in a lump sum, a pro-rata portion of the performance-based bonus the Executive would have otherwise received as set forth in Section 4(b) hereof based on the Company's actual performance for the year in which the Executive's death occurred, and prorated based on the number of days the Executive was employed during the year in which the bonus was earned. The payment of the pro-rata portion of the performance-based bonus shall be paid not later than the time period for the payment of the performance-based bonus as provided in Section 4(b) above.

(c) Disability.

(i) The Company may terminate the Executive's employment hereunder, upon notice to the Executive, in the event that the Executive becomes Disabled during his employment hereunder. "Disability" or "Disabled" shall (A) have the meaning set forth in the Company's long-term disability insurance policy in effect from time to time for management employees of the Company or (B) mean the Executive, due to the Executive's illness, injury, accident or condition of either a physical or psychological nature, is unable to perform substantially all of his duties and responsibilities hereunder, notwithstanding the provision of any reasonable accommodation, for one hundred and twenty (120) days during any period of three hundred and sixty-five (365) consecutive calendar days.

(ii) In the event of such termination due to Disability, then, subject to the requirement for a release of claims as provided in Section 5(i) below, the Company shall also continue to pay the Executive his then-current Base Salary (less any wage continuation payment amounts recovered by the Executive under any health and disability insurance plans or agreements available through the Company or any of its Affiliates) for a period of six (6) months following the date of the Executive's termination, and, in addition, the Company shall pay the Executive, in a lump sum, a pro-rata portion of the performance-based bonus the Executive would have otherwise received as set forth in Section 4(b) hereof based on the Company's actual performance for the year in which the Executive's employment is terminated by the Company due to Disability, with such pro-ration based on the number of days the Executive was employed during the year in which the bonus was earned.

(iii) The wage continuation payments shall commence not later than sixty (60) days following the termination of employment of the Executive and the payment of the pro-rata portion of the performance-based bonus shall be paid not later than the time period for the payment of the performance-based bonus as provided in Section 4(b) above, subject to the release requirement in Section 5(i) below.

(iv) The Board may designate another employee to act in the Executive's place during any period of the Executive's Disability; provided, that, such other employee shall relinquish such duties when the period of the Executive's Disability ends and the Executive is able to continue to perform substantially all of his duties and responsibilities hereunder. Notwithstanding any such designation, the Executive shall continue to receive the Base Salary in accordance with Section 4(a) and benefits in accordance with Section 4(e), to the extent permitted by the then-current terms of the applicable benefit plans, until the termination of his employment, less any wage continuation payment amounts recovered by the Executive under any health and disability insurance plans or agreements available through the Company.

(v) If any question arises as to whether, during any period, the Executive is Disabled through any illness, injury, accident or condition of either a physical or psychological nature so as to be unable to perform substantially all of his duties and responsibilities hereunder, the Executive may, and at the request of a majority of the Board of Directors (excluding the Executive) shall, submit to a medical examination by a physician (such physician to be trained in the area of medicine to which the Executive's disability relates) selected by the Board of Directors and to whom the Executive or his duly appointed guardian, if any, has no reasonable objection, to determine whether the Executive is so Disabled and such determination shall for the purposes of this Agreement be conclusive of the issue. If such question arises and the Executive fails to submit to such medical examination, a determination of the issue by a majority of the Board of Directors (excluding the Executive) shall be binding on the Executive.

(d) By the Company for Cause. The Company may terminate the Executive's employment hereunder for Cause at any time upon notice to the Executive setting forth, in reasonable detail, the nature of such Cause. The following, as determined by a resolution duly adopted by a majority of the members of the Board of Directors (excluding the Executive), shall constitute Cause for termination:

(i) willful failure to perform (other than by reason of Disability), or refusal to carry out, the lawful duties and responsibilities of the Executive's position or any direction from the Board of Directors which is lawful and reasonably consistent with the Executive's duties and responsibilities, which failure or refusal, if susceptible of cure, remains uncured or continues or recurs after fifteen (15) days' notice from the Company specifying, in reasonable detail, the nature of the failure or refusal;

(ii) material breach by the Executive of any fiduciary duty or of any provision of this Agreement or any other agreement with the Company or any of its Affiliates;

(iii) fraud, embezzlement or other material dishonesty with respect to the Company or gross neglect of duties by the Executive;

(iv) willful engagement in gross misconduct materially injurious to the Company or any of its Affiliates; or

(v) a plea of guilty or nolo contendere to, or conviction of, a felony or other crime involving moral turpitude.

Upon the giving of notice of termination of the Executive's employment hereunder for Cause, the Company shall have no further obligation to the Executive, other than for Final Compensation.

(e) By the Company Other than for Cause. The Company may terminate the Executive's employment hereunder other than for Cause at any time upon ten (10) days' written notice to the Executive. In the event of termination of the Executive's employment pursuant to this Section 5(e), the Board of Directors may elect to waive the period of notice, or any portion thereof, and, if the Board of Directors so elects, the Company will pay the Executive his Base Salary for the ten (10)-day notice period (or for any remaining portion of such period). In the event of such termination, in addition to Final Compensation then, subject to the requirement for a release of claims as provided in Section 5(i) below and except as may be provided pursuant to the Severance Policy as contemplated in Section 4(d) above, (i) the Company shall pay the Executive an amount equal to eighteen (18) months' of Base Salary at the rate in effect on the date of the Executive's termination; (ii) the Company shall pay the Executive a pro-rata portion of the performance- based bonus described in Section 4(b) hereof based on the Company's actual performance for the year in which the Executive's termination of employment occurs, with such pro-ration based on the number of days the Executive was employed during the year in which the bonus was earned; (iii) if the Executive elects to continue his participation in the Company's health and dental insurance plans under the federal law commonly known as "COBRA," the Company shall pay the Executive an amount each month, as taxable compensation, for the full premium cost of the Executive's continued participation in such plans (including coverage for his dependents) for a period of eighteen (18) months following the date of the Executive's termination (provided that the Executive is entitled to continue such participation under applicable law and plan terms); and (iv) if the Executive elects to continue his participation in any Company insurance plans in which he was participating on the date of his termination, other than the health and dental insurance plans, the Company shall pay the full premium cost of the Executive's participation in such plans for a period of eighteen (18) months following the date of the Executive's termination (provided, that, the Executive is entitled to continue such participation under applicable law and plan terms, and provided, further, that if the Executive is not eligible to continue such participation, the Company shall pay the Executive an amount equal to the amount it would have paid for such continued premium costs as taxable compensation).

The wage continuation and insurance premium payments pursuant to clauses (i), (iii) and (iv) above shall commence not later than sixty (60) days following the termination of employment by the Executive and the payment of the pro-rata portion of the performance-based bonus shall be paid not later than the time period for the payment of the performance-based bonus as provided in Section 4(b) above, subject to the requirement for a release of claims as provided in Section 5(i) below.

(f) By the Executive for Good Reason. The Executive may terminate his employment hereunder for Good Reason by providing notice to the Company within thirty (30) days of the initial occurrence of the condition giving rise to Good Reason, setting forth, in reasonable detail, the nature of such Good Reason (the "Notice"). The following, if not cured by the Company within

thirty (30) days following receipt of the Notice, shall constitute Good Reason for termination by the Executive:

(i) significant diminution in the nature or scope of the Executive's responsibilities, duties or authority (including, without limitation, a diminution due to the Board of Directors having hired another senior executive officer to whom the Executive is requested by the Board of Directors to report, any change in the Executive's reporting relationship such that he no longer reports directly to the Board of Directors or any change in the Executive's responsibilities, duties or authority as a result of a Change in Control (as defined in the Severance Policy) involving a non-strategic acquiror as a result of which the Company's common stock ceases to be publicly-traded) without the Executive's consent; provided, however, that the Company's failure to continue the Executive's appointment or election as a member of the Board of Directors or as director or officer of any of its Affiliates and/or any diminution of the business of the Company or any of its Affiliates shall not constitute "Good Reason";

(ii) significant failure of the Company, without the Executive's consent, to provide the Executive the Base Salary and benefits in accordance with the terms of Section 4 hereof;

(iii) requiring the Executive to relocate his principal place of business, without his consent, more than thirty-five (35) miles from its then-current location; or

(iv) any significant breach of this Agreement by the Company, without the Executive's consent, which has a material adverse effect on the Executive.

The Company will have thirty (30) days from receipt of the Notice to cure the event specified in the Notice, and if it fails to do so, the Executive's employment will terminate for Good Reason on the first day following the expiration of such thirty (30)-day cure period.

In the event of termination in accordance with this Section 5(f), then, subject to the requirement for a release of claims as provided in Section 5(i) below, the Executive will be entitled to the same pay and benefits he would have been entitled to receive had the Executive been terminated by the Company other than for Cause in accordance with Section 5(e) above; provided, that, if the Executive terminates his employment for Good Reason pursuant to Section 5(f)(ii) because the Company has reduced the Executive's Base Salary, the severance payment will be calculated using the Base Salary that was in effect immediately prior to the reduction that triggered the Good Reason.

The wage continuation and insurance premium payments shall commence not later than sixty (60) days following the termination of employment by the Executive and the payment of the pro-rata portion of the performance-based bonus shall be paid not later than the time period for the payment of the performance-based bonus as provided in Section 4(b) above, subject to the requirement for a release of claims as provided in Section 5(i) below.

(g) By the Executive Other than for Good Reason. The Executive may terminate his employment hereunder at any time upon thirty (30) days' written notice to the Company, unless such termination would violate any obligation of the Executive to the Company under a separate severance plan or agreement. In the event of termination of the employment of the Executive

pursuant to this Section 5(g), the Board of Directors may elect to waive the period of notice, or any portion thereof, and, if the Board of Directors so elects, the Company will pay the Executive his Base Salary for the initial thirty (30) days of the notice period (or for any remaining portion of such period).

(h) Timing of Payments. If, at the time of the Executive's separation from service, the Executive is a "specified employee," as hereinafter defined, any and all amounts payable under this Section 5 in connection with such separation from service that constitute deferred compensation subject to Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and the treasury regulations thereunder (collectively, "Section 409A"), as determined by the Company in its sole discretion, and that would (but for this sentence) be payable within six (6) months following such separation from service, shall instead be paid on the date that follows the date of such separation from service by six (6) months. For purposes of the preceding sentence, "separation from service" shall be determined in a manner consistent with Section 409A(a)(2) (A)(i) of the Code and the term "specified employee" shall mean an individual determined by the Company to be a specified employee as defined in Section 409A(a)(2)(B)(i) of the Code.

(i) Release of Claims as a Condition for Payment. Any obligation of the Company to provide any separation payments and benefits to the Executive under Sections 5(b), 5(c), 5(e) or 5(f) (not including any Final Compensation) is conditioned upon the Executive signing and returning to the Company a timely and effective release of all claims against the Company, its Affiliates and their employees, directors, agents and representatives, on a form to be provided by the Company (the "Release of Claims"), which must be executed, if at all, and become irrevocable in accordance with the timing requirements set forth therein and in all events within sixty (60) days of the termination of the employment of the Executive.

(i) The Release of Claims required for the separation payments and benefits creates legally binding obligations on the part of the Executive, and the Company and its Affiliates therefore advise the Executive to seek the advice of an attorney before signing it.

(ii) Any wage continuation and insurance premium payments to which the Executive may be entitled to receive under Sections 5(c), 5(e) or 5(f) shall be payable in accordance with the normal payroll practices of the Company and will begin on the Company's next regular pay date which occurs on or after the sixtieth (60th) day following the Executive's termination of employment; provided, that, the Release of Claims has become effective and irrevocable by such date and has been delivered to the Company, and the first payment shall include all payments that would have otherwise been made between the Executive's termination of employment and such first regular pay date occurring on or after such sixtieth (60th) day, absent the delay.

(iii) Any pro-rata performance bonus payments to which the Executive may be entitled to receive under Section 5(b), 5(c), 5(e), or 5(f) shall be paid no later than two-and-one-half (2 1/2) months following the last day of the calendar year of the termination of the Executive's employment or such earlier date on which performance bonus payments are made to the senior executives of the Company for the calendar year of the termination of the Executive's employment.

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6. Effect of Termination. The provisions of this Section 6 shall apply to any termination, whether pursuant to Section 5 or otherwise.

(a) Payment by the Company of any Base Salary, bonus obligations and contributions to the cost of the Executive's continued participation in the Company's insurance plans, in each case, under the applicable termination provision of Section 5, shall constitute the entire obligation of the Company to the Executive hereunder. The Executive shall promptly give the Company notice of all facts necessary for the Company to determine the amount and duration of its obligations in connection with any termination pursuant to Section 5 hereof.

(b) Except for any right of the Executive to continue participation in the Company's insurance plans in accordance with Section 5 hereof and applicable law, benefits shall terminate pursuant to the terms of the applicable benefit plans based on the date of termination of the Executive's employment without regard to any continuation of Base Salary or other payment to the Executive following such date of termination.

(c) Provisions of this Agreement shall survive any termination if so provided herein or if necessary or desirable to accomplish the purposes of other surviving provisions, including without limitation the obligations of the Executive under Sections 7, 8 and 9 hereof. The obligation of the Company to make payments to or on behalf of the Executive under Sections 5(b), 5(c), 5(e) or 5(f) hereof is expressly conditioned upon the Executive's continued full performance of obligations under Sections 7, 8 and 9 hereof. The Executive recognizes that, except as expressly provided in Section 5, no compensation is earned after termination of employment.

7. Confidential Information.

(a) The Executive shall not, at any time, including following the termination of the Executive's employment, directly or indirectly (through another Person), disclose (except as permitted by this Agreement or in the normal course of providing services to the Group or as otherwise permitted by the board of directors or managers of a member of the Group) to any Person the Confidential Information; provided, that, in the event that the Executive is requested or required by applicable law or stock exchange rule (including by request for information or documents in any legal proceeding, interrogatory, discovery requests, subpoena, court order, civil investigative demand or similar process or otherwise) to disclose any Confidential Information, the Executive shall notify (unless prohibited by law) the Company promptly of such request or requirement, so that the Company may seek, at its own expense, an appropriate protective order or waive compliance with the provisions of this Agreement. If, in the absence of a protective order or the receipt of a waiver hereunder, the Executive, on the advice of outside legal counsel (which may be in-house counsel), is required to disclose any Confidential Information, the Executive may disclose such Confidential Information without liability hereunder; provided, however, that the Executive shall use the Executive's commercially reasonable efforts (at the Company's expense) to obtain a protective order or other assurance that confidential treatment will be accorded such Confidential Information by the Executive.

(b) Nothing in this Agreement shall prohibit or restrict any member of the Group, the Executive or their respective attorneys from: (i) making any disclosure of relevant and necessary information or documents in any action, investigation or proceeding or as required by applicable

law or legal process, including with respect to possible violations of law; (ii) participating, cooperating or testifying in any action, investigation, or proceeding with, or providing information to, any governmental agency or legislative body, any self-regulatory organization and/or pursuant to the Sarbanes-Oxley Act; or (iii) accepting any U.S. Securities and Exchange Commission awards. In addition, nothing in this Agreement prohibits or restricts any member of the Group or the Executive from initiating communications with, or responding to any inquiry from, any regulatory or supervisory authority regarding any good faith concerns about possible violations of law or regulation.

(c) Pursuant to 18 U.S.C. Section 1833(b), the Executive will not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret of the Group that (i) is made (A) in confidence to a Federal, State, or local government official, either directly or indirectly, or to the Executive’s attorney and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. If the Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Executive may disclose the trade secret to the Executive’s attorney and use the trade secret information in the court proceeding, if the Executive files any document containing the trade secret under seal and does not disclose the trade secret except under court order. Nothing in this Agreement is intended to conflict with 18 U.S.C. Section 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section.

8. Assignment of Rights to Inventions. The Executive shall promptly and fully disclose all Inventions, as defined below, to the Company. The Executive hereby assigns and agrees to assign to the Company (or as otherwise directed by the Company) the Executive’s full right, title and interest in and to all Inventions. The Executive agrees to execute any and all applications for domestic and foreign patents, copyrights or other proprietary rights and to do such other acts (including, without limitation, the execution and delivery of instruments of further assurance or confirmation) requested by the Company to assign the Inventions to the Company (or as otherwise directed by the Company) and to permit the Company to enforce any patents, copyrights or other proprietary rights to the Inventions. The Executive will not charge the Company for time spent in complying with these obligations. All copyrightable works that the Executive creates shall be considered “work made for hire” and shall, upon creation, be owned exclusively by the Company.

9. Restricted Activities. The Executive continues to agree that some restrictions on his activities during and after his employment are necessary to protect the goodwill, Confidential Information, trade secrets and other legitimate interests of the Company and its Affiliates:

(a) Non-Competition. During the Executive’s employment and until the eighteen (18)-month anniversary of the date on which the Executive’s employment ceases for any or no reason (the “Non-Competition Restriction Period”), the Executive shall not directly or indirectly (through another Person) own, acquire or control any interest, financial or otherwise, in, and/or otherwise manage, operate, control or participate in the ownership, management, operation or control of, loan or otherwise provide financing or financial assistance of any kind to, be employed by or otherwise provide services to, or otherwise engage in, any Restricted Business throughout the Restricted Territory, in each case, for pay or not for pay; provided, however, that the Executive

shall be entitled to own not more than two percent (2%) of the issued and outstanding equity securities of any class of securities of any entity that engages in a Restricted Business so long as the Executive does not have any active participation in the business of such entity. For the avoidance of doubt, the Executive may provide services to an entity which engages in a Restricted Business through a division, unit, subsidiary or affiliate so long as the Executive does not provide services, directly or indirectly (through another Person), to such division, unit, subsidiary or affiliate.

(b) Covenant Not to Solicit Customers. The Executive covenants and agrees that, while the Executive is employed by the Company and for eighteen (18) months following his termination of employment (together, the "Restriction Period"), the Executive shall not, directly or indirectly, (i) solicit or encourage any customer of the Company or any of its Affiliates to terminate or diminish such customer's relationship with them; or (ii) seek to persuade any customer of the Company or any of its Affiliates to conduct with any other Person any business or activity which such customer conducts or could conduct with the Company or any of its Affiliates; provided, that, these restrictions shall apply (A) only with respect to any Person who is or has been a customer of the Company or any of its Affiliates at any time within the immediately preceding two (2)-year period or whose business has been solicited on behalf of the Company or any of the Affiliates by any of their officers, employees or agents within said two (2)-year period, other than by form letter, blanket mailing or published advertisement, and (B) only if the Executive has performed work for such Person during the Executive employment or been introduced to, or otherwise had contact with, such Person as a result of the Executive's employment or other associations with the Company or one of its Affiliates or has had access to Confidential Information which would assist in the Executive's solicitation of such Person.

(c) Covenant Not to Solicit or Hire. The Executive covenants and agrees that, during the Restriction Period, the Executive shall not, directly or indirectly, (i) solicit, recruit, induce or encourage any employee, clinician, independent contractor or service provider of any member of the Group to leave the employ of or cease providing services to any member of the Group; (ii) hire, employ, recruit or otherwise engage any Restricted Person; provided, that, absent a violation of clause (i) above, the Executive may undertake the actions in this clause (ii) with respect to third party service providers who are not clinicians and who do not provide services primarily to a member of the Group; or (iii) take any other action that is intended to induce or encourage, or has the direct and intended effect of inducing or encouraging any Restricted Person to terminate his or her employment with, or cease providing services to, any member of the Group; provided, that, the foregoing shall not prohibit any Person from (A) making general employment solicitations such as through advertisements in publicly available media so long as such advertisements are not specifically targeted at any Restricted Person and no Restricted Person is hired as a result thereof (other than pursuant to the proviso in clause (ii) above) or (B) providing a reference unrelated to any solicitation or hiring otherwise prohibited by this Section 9(c).

(d) Return of Company Property. Within ten (10) days following the date of any termination of the Executive's employment, or upon the Company's earlier request, the Executive, or the Executive's personal representative, shall return all property of the Group and its Affiliates in the Executive's possession, including, but not limited to, all computer equipment (hardware and

software), telephones, tablet computers and other communication devices, credit cards, office keys, security access cards, badges, identification cards and all copies of any documentation or information (however stored) relating to the business of the Group and its Affiliates or their respective current or prospective customers or clients. Anything to the contrary notwithstanding, the Executive shall be entitled to retain (i) personal papers and other materials of a personal nature, provided that such papers or materials do not include Confidential Information; (ii) information showing the Executive's compensation or relating to reimbursement of the Executive's business expenses; and (iii) copies of plans, programs and agreements relating to the Executive's employment, or termination thereof, with the Group or its Affiliates which the Executive received in the Executive's capacity as a participant therein.

(e) Non-Disparagement. During the Executive's employment and at any time after termination thereof, the Executive shall not, directly or indirectly (through another Person), make any statement, written or oral, that would disparage or criticize the business or reputation of any member of the Group or any such Group member's officers, managers, directors or employees; provided, however, that nothing in this Section 9(e) shall prevent the Executive from (i) giving truthful testimony obtained through subpoena or court order, (ii) giving any truthful information provided pursuant to investigation by any governmental authority, (iii) giving any truthful information provided pursuant to any claim by a party to this Agreement or any employment or compensation-related agreement of the Executive, (iv) correcting inaccurate statements made about, as applicable, the Executive or any member of the Group or (v) making statements in the normal course of providing services to a member of the Group (including performance reviews by, as applicable, the Executive or a member of the Group).

(f) Tolling. Notwithstanding any other provision to the contrary herein, the Restriction Period shall be tolled (and the applicable period extended) during the pendency of any action seeking to enforce or determine the enforceability of the covenants contained in this Agreement if it is ultimately determined that the Executive was in breach of such covenants during the pendency of such action or if any temporary restraining order, injunction, judgment or settlement is entered against or agreed to by the Executive by reason of such alleged violations during the pendency of such actions.

(g) The Executive agrees that, during his employment with the Company, he will not undertake any outside activity, whether or not competitive with the business of the Group, that could reasonably give rise to a conflict of interest or otherwise interfere, whether individually or in the aggregate, with his duties and obligations to the Group.

10. Enforcement of Covenants. The Executive acknowledges that he has carefully read and considered all the terns and conditions of this Agreement, including the restraints imposed upon him pursuant to Sections 7, 8 and 9 hereof. The Executive agrees without reservation that (a) each of the restraints contained herein is necessary for the reasonable and proper protection of the goodwill, Confidential Information and other legitimate interests of the Company and its Affiliates; (b) each and every one of those restraints is reasonable in respect to subject matter, length of time and geographic area; and (c) these restraints, individually or in the aggregate, will not prevent him from obtaining other suitable employment during the period in which the Executive is bound by these restraints and will not otherwise impose an undue hardship on him.

The Executive further agrees that he will never assert, or permit to be asserted on his behalf, in any forum, any position contrary to the foregoing. The Executive further acknowledges that, were he to breach any of the covenants contained in Sections 7, 8 or 9 hereof, the damage to the Company would be irreparable. The Executive therefore agrees that the Company, in addition to any other remedies available to it, shall be entitled to preliminary and permanent injunctive relief against any breach or threatened breach by the Executive of any of said covenants, without having to post bond. The parties further agree that, in the event that any provision of Section 7, 8 or 9 hereof shall be determined by any court of competent jurisdiction to be unenforceable by reason of its being extended over too great a time, too large a geographic area or too great a range of activities, such provision shall be deemed to be modified to permit its enforcement to the maximum extent permitted by law.

11. Conflicting Agreements. The Executive hereby represents and warrants that the execution of this Agreement and the performance of his obligations hereunder will not breach or be in conflict with any other agreement to which the Executive is a party or is bound, and that the Executive is not now subject to any covenants against competition or similar covenants or any court order or other legal obligation that would affect the performance of his obligations hereunder. The Executive will not disclose to or use on behalf of the Company any proprietary information of a third party without such party's consent.

12. Definitions. Words or phrases which are initially capitalized or are within quotation marks shall have the meanings provided in this Section 12 and as provided elsewhere herein. For purposes of this Agreement, the following definitions apply:

(a) "Affiliates" means any Person controlled by, controlling or under common control with the Company.

(b) "Confidential Information" means (i) any proprietary or confidential matters concerning any member of the Group, including the business, products, markets, condition (financial or other), operations, processes, intellectual property, customers, vendors, pricing, results of operations, cash flows, prospects and affairs of any member of the Group, and (ii) any information, including the terms, conditions or any other facts, relating to this Agreement and any other agreements or transactions contemplated by this Agreement, or any confidential discussions or negotiations related to this Agreement, in each case, that are not disclosed in a publicly filed document; provided, that, "Confidential Information" shall not include information (A) that is or becomes available to the public or within the industry of a member of the Group, other than as a result of disclosure by the Executive in violation of the Executive's obligations under this Agreement, (B) that becomes available to the Executive on a non-confidential basis from a source other than the Company or its Affiliates, provided that such source is not known by the Executive to be bound by a legal, fiduciary or contractual obligation of confidentiality or secrecy with respect to such information, or (C) that is or was independently developed by the Executive without use of or reliance on Confidential Information.

(c) "Group" means the Company and its Affiliates.

(d) "Inventions" means any and all inventions, formulas, discoveries, developments, designs, innovations, improvements or processes (whether or not patentable or copyrightable or

constituting trade secrets) conceived, made, created, developed or reduced to practice by the Executive (whether alone or with others, whether or not during normal business hours or on or off Group member premises) during the Executive's employment.

(e) "Person" means an individual, a corporation, a limited liability company, an association, a partnership, an estate, a trust and any other entity or organization, other than the Company or any of its Affiliates.

(f) "Restricted Business" means (i) any business that competes with any service or product offering conducted by any member of the Group during the Executive's employment or as of the termination of the Executive's employment or (ii) any other business being actively and demonstrably contemplated to be conducted by any member of the Group during the Executive's employment or as of the termination of the Executive's employment; provided, that, with respect to application of the non-competition covenant after termination of the Executive's employment, as set forth in Section 9(a), Restricted Business shall not include any business that a member of the Group was actively and demonstrably contemplating during the Executive's employment, but that no member of the Group is conducting, or actively and demonstrably contemplating, as of the termination of the Executive's employment.

(g) "Restricted Persons" means employees, clinicians, independent contractors and services providers of the Group.

(h) "Restricted Territory" means the United States, unless a court of competent jurisdiction determines that that geographic scope is unenforceable under applicable law because it is too broad, in which case the Territory shall be amended by eliminating geographical areas and states from the following list until the Territory is determined to be reasonable: Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin and Wyoming.

13. Indemnification. To the maximum extent permitted from time to time under the Company's Certification of Incorporation, Bylaws, and the law of the State of Delaware, the Executive shall be entitled to indemnification in connection with any investigation, action, suit, proceeding or claim made against or naming the Executive in his capacity as an officer of the Company.

14. Taxes.

(a) All payments made by the Company under this Agreement shall be reduced by any tax or other amounts required to be withheld by the Company under applicable law.

(b) The intent of the parties is that payments and benefits under this Agreement comply with Section 409A, to the extent subject thereto, and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted and administered to be in compliance therewith. Without limiting the foregoing, to the extent required in order to avoid accelerated taxation and/or

tax penalties under Section 409A, the Executive shall not be considered to have terminated employment with the Company for purposes of this Agreement and no payment shall be due to the Executive under this Agreement until the Executive would be considered to have incurred a “separation from service” within the meaning of Section 409A. Each amount to be paid or benefit to be provided to the Executive pursuant to this Agreement that constitutes deferred compensation subject to Section 409A shall be treated as a separate payment for purposes of Section 409A.

(c) In the event that it is determined that any payment or benefit of any type to or for the Executive’s benefit made by the Company, by any of its Affiliates, by any Person who acquires ownership or effective control or ownership of a substantial portion of the Company’s assets (within the meaning of Section 280G of the Code and the regulations thereunder (collectively, “Section 280G”) or by any affiliate of such person, whether pursuant to the terms of this Agreement or otherwise (any such payments or benefits, collectively, the “Total Payments”), would be subject to the excise tax imposed by Section 4999 of the Code or any interest or penalties with respect to such excise tax (such excise tax, together with any such interest or penalties, are collectively referred to as the “Excise Tax”), then the Executive shall be entitled to receive (A) such lesser amount as would result in no portion of such payments or benefits being subject to the Excise Tax or (B) if the Total Payments (without regard to clause (A)), reduced by all applicable taxes (including, for the avoidance of doubt, the Excise Tax), would be greater than the lesser amount described in clause (A) reduced by all taxes applicable thereto, the Total Payments. If the Total Payments must be reduced as provided in clause (A) of the previous sentence, the reduction shall occur in the following order (on a pro rata basis among payments or benefits within each category, except as provided below): (1) reduction of cash payments for which the full amount is treated as a “parachute payment” (as defined under Section 280G); (2) cancellation of accelerated vesting (or, if necessary, payment) of cash payments for which the full amount in not treated as a parachute payment; (3) reduction of any continued employee benefits and (4) cancellation of any accelerated vesting of equity awards. In selecting the equity awards (if any) for which vesting will be reduced under clause (4) of the preceding sentence, awards shall be selected in a manner that maximizes the after-tax aggregate amount of reduced Total Payments provided to the Executive, provided that if (and only if) necessary in order to avoid the imposition of an additional tax under Section 409A of the Code, awards instead shall be selected in the reverse order of the date of grant. If two or more equity awards are granted on the same date, each award will be reduced on a pro-rata basis. The Executive and the Company shall furnish such documentation and documents as may be necessary for the Company’s independent external accountants or other advisors to perform the requisite Code Section 280G computations and analysis. The Company shall bear the costs of performing any calculations contemplated by this Section 14(c).

15. Assignment. Neither the Company nor the Executive may make any assignment of this Agreement or any interest herein, by operation of law or otherwise, without the prior written consent of the other; provided, that, the Company may assign its rights and obligations under this Agreement without the consent of the Executive in the event that the Executive is transferred to a position with any of the Affiliates or in the event that the Company shall hereafter effect a reorganization, consolidate with, or merge into, any Person or transfer all or substantially all of its properties or assets to any Person. This Agreement shall inure to the benefit of and be binding upon the Company and the Executive, their respective successors, executors, administrators, heirs and permitted assigns.

16. Severability. If any portion or provision of this Agreement shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances, other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

17. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of either party to require the performance of any term or obligation of this Agreement, or the waiver by either party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

18. Notices. Any and all notices, requests, demands and other communications provided for by this Agreement shall be in writing and shall be effective when delivered in person, consigned to a reputable national courier service or deposited in the United States mail, postage prepaid, registered or certified, and addressed to the Executive at his last known address on the books of the Company or, in the case of the Company, at its principal place of business, attention of the Chairman of the Compensation Committee, or to such other address as either party may specify by notice to the other actually received.

19. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes all prior communications, agreements and understandings, written or oral, with respect to the terms and conditions of the Executive's employment.

20. Amendment. This Agreement may be amended or modified only by a written instrument signed by the Executive and by an expressly authorized representative of the Company.

21. Headings. The headings and captions in this Agreement are for convenience only and in no way define or describe the scope or content of any provision of this Agreement.

22. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument.

23. Governing Law. This is an Arizona state contract and shall be construed and enforced under and be governed in all respects by the laws of the State of Arizona, without regard to any conflict of laws principles that would result in the application of the laws of another jurisdiction.

[*Signature page follows immediately.*]

IN WITNESS WHEREOF, this Agreement has been executed as a sealed instrument by the Company, by its duly authorized representative, and by the Executive, as of the date first above written.

THE EXECUTIVE		LIFESTANCE HEALTH GROUP, INC.
/s/ Kenneth Burdick	By:	/s/ Ryan Pardo
KENNETH BURDICK	Name:	Ryan Pardo
	Title:	Chief Legal Officer, Vice President and Secretary

[*Signature Page to Employment Agreement*]

Annex A

Centene Corporation
Unified Women’s Healthcare
Tampa General Hospital

Exhibit 10.9

September 7, 2022

Dear Danish,

Congratulations! As we have discussed, beginning on September 7, 2022 (the "Promotion Date"), you will serve as President of LifeStance Health Group, Inc. (the "Company"), in addition to your role as Chief Operating Officer. In connection with this promotion, and in consideration of your enhanced role with the Company, you will receive an increase in your target bonus opportunity and a one-time stock option award, in each case, as described below.

1. Increase in Target Bonus. Effective for the 2022 fiscal year, your target annual bonus will be increased to seventy-five percent (75%) of your base salary, with your actual bonus amount based on the achievement of specified performance goals as contemplated in your employment agreement with LifeStance Health, Inc. dated as of May 14, 2020 (the "Employment Agreement").

2. Stock Option Award. As soon as reasonably practicable after the Promotion Date, you will receive a one-time grant of an option (the "Option") to purchase shares of the Company's common stock ("Shares") equal to approximately 0.75% of the outstanding Shares as of the Promotion Date, with an exercise price equal to the fair market value of a Share on the date of grant. The Option will vest as to one-third (1/3) of the Shares subject to the Option based on service and the remaining portion will vest based on performance (as set out in greater detail in the award agreement evidencing the Option). The Option will be granted pursuant to, and in accordance with, the terms and conditions of the Company's 2021 Equity Incentive Plan and an award agreement, which shall control in the event of any conflict with this letter.

This letter agreement sets forth the entire understanding of you and the Company, and as of the date of this letter agreement, supersedes all prior agreements and all other arrangements and communications, whether oral or written, with respect to the subject matter hereof, provided, that, except as expressly set forth in this letter agreement, the Employment Agreement will continue in full force and effect in accordance with its terms. This letter agreement may be amended, modified, extended or terminated, and the provisions hereof may be waived, only by an agreement in writing signed by you. No provision in this letter agreement will give, or be construed to give, any legal or equitable rights hereunder to any person other than the undersigned parties hereto and their successors and assigns. This letter agreement shall be governed by and construed in accordance with the laws of the State of Washington without reference to its principles of conflicts of law.

[*Remainder of page intentionally left blank*]

Please let me know if you have any questions.

Sincerely,

LIFESTANCE HEALTH GROUP, INC.

By:	/s/ Ryan Pardo
Name:	Ryan Pardo
Title:	Chief Legal Officer, Vice President and Secretary

[Signature Page to Letter Agreement]

Accepted and agreed:

/s/ Danish Qureshi

Danish Qureshi

[Signature Page to Letter Agreement]

Exhibit 10.10

Name:	[ ]
Number of Shares of Stock subject to the Stock Option:	[ ]
Exercise Price Per Share:	[ ]
Date of Grant:	[ ]
Vesting Commencement Date:	[ ]

LIFESTANCE HEALTH GROUP, INC.
2021 EQUITY INCENTIVE PLAN

Non-Statutory Stock Option Agreement

This agreement (this "**Agreement**") evidences a stock option granted by LifeStance Health Group, Inc. (the "**Company**"), to the individual named above (the "**Participant**"), pursuant to and subject to the terms of the LifeStance Health Group, Inc. 2021 Equity Incentive Plan (as from time to time amended and in effect, the "**Plan**").

1. Grant of Stock Option. The Company grants to the Participant on the date set forth above (the "**Date of Grant**") an option (the "**Stock Option**") to purchase, pursuant to and subject to the terms and conditions set forth in this Agreement and in the Plan, up to the number of shares of Stock set forth above (the "**Shares**"), with an exercise price per Share as set forth above, in each case subject to adjustment pursuant to Section 7 of the Plan in respect of transactions occurring after the date hereof.

The Stock Option evidenced by this Agreement is a non-statutory option (that is, an option that is not intended to qualify as an incentive stock option) and is granted to the Participant in connection with the Participant's Employment (which term includes, for the avoidance of doubt, service as a member of the Board).

2. Meaning of Certain Terms. Except as otherwise defined herein, all capitalized terms used herein have the same meaning as in the Plan.

3. Vesting. The term "**vest**" as used herein with respect to the Stock Option (or any portion thereof) means to become exercisable and the term "**vested**" as used herein with respect to the Stock Option (or any portion thereof) means that the Stock Option (or portion thereof) is then exercisable. The Stock Option will vest in accordance with the terms of Schedule A attached hereto.

4. Exercise of the Stock Option. No portion of the Stock Option may be exercised until such portion vests. Each election to exercise any vested portion of the Stock Option will be subject to the terms and conditions of the Plan and must be in a written or electronic form acceptable to the Administrator, signed (including by electronic signature) by the Participant or, if at the relevant time the Stock Option has passed to the estate or beneficiary of the Participant or a permitted transferee, by such estate or beneficiary or permitted transferee. Each such written or electronic exercise election must be received by the Company at its principal office or at such other place or by such other party as the Administrator may prescribe and must be accompanied by payment in full as provided in the Plan. The exercise price may be paid (i) by cash or check acceptable to the Administrator, (ii) to the extent permitted by the Administrator, through a broker-assisted cashless

exercise program acceptable to the Administrator, (iii) by such other means, if any, as may be acceptable to the Administrator, or (iv) by any combination of the foregoing forms of payment, as may be acceptable to the Administrator. Subject to earlier termination as set forth herein or in the Plan (including Section 6(a)(4) of the Plan, which sets forth the post-termination of Employment exercise periods applicable to the Stock Option), the latest date on which the Stock Option or any portion thereof may be exercised is the tenth (10th) anniversary of the Date of Grant (the "**Final Exercise Date**") and, if not exercised on or prior to such date, the Stock Option or any remaining portion thereof will thereupon immediately terminate.

5. Cessation of Employment. If the Participant's Employment ceases for any reason, except as expressly provided for in this Agreement or in a written employment, change of control or severance-benefit agreement between the Participant and the Company or one of its affiliates that is in effect at the time of such cessation of Employment, the Stock Option, to the extent not then vested, will be immediately forfeited for no consideration, and any vested portion of the Stock Option that is then outstanding will remain exercisable for the period, if any, described in Section 6(a)(4) of the Plan.

6. Restrictions on Transfer. The Stock Option may not be transferred except as expressly permitted under Section 6(a)(3) of the Plan.

7. Forfeiture; Recovery of Compensation. By accepting, or being deemed to have accepted, the Stock Option, the Participant expressly acknowledges and agrees that his or her rights, and those of any permitted transferee, with respect to the Stock Option, including the right to any Shares acquired under the Stock Option and any amounts received in respect thereof, are subject to Section 6(a)(5) of the Plan (including any successor provision). The Participant further agrees to be bound by the terms of any applicable clawback or recoupment policy of the Company or any of its affiliates. Nothing in the preceding sentence will be construed as limiting the general application of Section 9 of this Agreement.

8. Taxes. The Participant expressly acknowledges and agrees that the Participant's rights hereunder, including the right to be issued Shares upon exercise of the Stock Option, are subject to the Participant promptly paying to the Company in cash or by check (or by such other means as may be acceptable to the Administrator) all taxes and other amounts required to be withheld. No Shares will be issued pursuant to the exercise of the Stock Option unless and until the person exercising the Stock Option has remitted to the Company an amount in cash sufficient to satisfy any withholding requirements, or has made other arrangements satisfactory to the Company with respect to such amounts. The Participant authorizes the Company and its subsidiaries to withhold any amounts due in respect of any required withholdings from any amounts otherwise owed to the Participant, but nothing in this sentence will be construed as relieving the Participant from any liability for satisfying his or her obligation under the preceding provisions of this Section 7.

9. Provisions of the Plan. This Agreement is subject in its entirety to the provisions of the Plan, which are incorporated herein by reference. A copy of the Plan as in effect on the Date of Grant has been made available to the Participant. By accepting, or being deemed to have accepted, the Stock Option, the Participant agrees to be bound by the terms of the Plan and this Agreement. In the event of any conflict between the terms of this Agreement and the Plan, the terms of the Plan will control.

10. Acknowledgements. The Participant acknowledges and agrees that (i) this Agreement may be executed in two or more counterparts, each of which will be an original and all of which together will constitute one and the same instrument, (ii) this Agreement may be executed and exchanged using facsimile, portable document format (PDF) or electronic signature, which, in each case, will constitute an original signature for all purposes hereunder, and (iii) such signature by the Company will be binding against the Company and will create a legally binding agreement when this Agreement is countersigned by the Participant.

[Signature page follows.]

The Company, by its duly authorized officer, and the Participant have executed this Agreement.

LIFESTANCE HEALTH GROUP, INC.

By: ______________________
Name: ______________________
Title: ______________________

Agreed and Accepted:

By: ______________________
[Participant's Name]

SCHEDULE A

VESTING

Exhibit 31.1

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Kenneth Burdick, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of LifeStance Health Group, 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 and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) 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) [omitted];

   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 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: November 9, 2022

By: /s/ Kenneth Burdick
Kenneth Burdick
Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Michael Bruff, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of LifeStance Health Group, 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 and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) 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) [omitted];

    (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 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: November 9, 2022

By: /s/ J. Michael Bruff
J. Michael Bruff
Chief Financial Officer and Treasurer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of LifeStance Health Group, Inc. (the "Company") on Form 10-Q for the period ending September 30, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kenneth Burdick, Chief Executive Officer of LifeStance Health Group, Inc., hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) 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 contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 9, 2022

By: /s/ Kenneth Burdick
Kenneth Burdick
Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of LifeStance Health Group, Inc. (the "Company") on Form 10-Q for the period ending September 30, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, J. Michael Bruff, Chief Financial Officer and Treasurer of LifeStance Health Group, Inc., hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) 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 contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 9, 2022

By: /s/ J. Michael Bruff
J. Michael Bruff
Chief Financial Officer and Treasurer