

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>Penver John K</u> <hr/> (Last) (First) (Middle) <u>C/O TSS, INC.</u> <u>7226 LEE DEFOREST DRIVE, SUITE 104</u> <hr/> (Street) <u>COLUMBIA MD 21046</u> <hr/> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>TSS, Inc. [TSSI]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner Officer Other X (give title below) (specify below) <u>Chief Financial Officer</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>08/29/2014</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)
			Code	V	Amount	(A) or (D)	Price		
Common Stock	08/29/2014		A		250,000 (1)	A	\$0(2)	250,000	D

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date			

Employee Stock Option	(3)	08/29/2014		A		200,000		(4)	08/29/2024	Common Stock	200,000	\$0	200,
-----------------------------	-----	------------	--	---	--	---------	--	-----	------------	-----------------	---------	-----	------

Explanation of Responses:

1. These shares of common stock represent restricted stock granted pursuant to an award agreement between Mr. Penver and the Issuer and are subject to forfeiture. The restricted stock awarded will vest in installments as follows: (1) 50,000 shares will vest on September 29, 2014, (2) 100,000 shares will vest on August 29, 2015, and (3) 100,000 shares will vest on August 29, 2016. All unvested shares of restricted stock will vest upon a change of control of the Issuer and an amount of up to 100,000 shares of restricted stock will vest in certain instances upon the termination of Mr. Penver's employment.
2. These shares of restricted stock were granted to Mr. Penver for his services as the Chief Financial Officer of the Issuer.
3. The exercise price is equal to the average of the high and low bid prices for the Issuer's common stock reported daily on the OTCQB marketplace during the 20 trading days following August 29, 2014.
4. The option becomes exercisable in installments as follows: (1) 100,000 shares become exercisable when the fair market value of the Issuer's common stock is at least \$2.00 for 20 consecutive business days, and (2) 100,000 shares become exercisable when the fair market value of the Issuer's common stock is at least \$3.00 for 20 consecutive business days. The option will become immediately exercisable upon the occurrence of a change in control of the Issuer that occurs on or after August 29, 2015.

/s/ John K. Penver 09/03/2014

** Signature of Reporting Date
Person

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

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.