

Signal Law Group Issues Vigilant Risk Score™ Bulletin on TSS, Inc. (NASDAQ: TSSI) and Flags Risk Indicators

NEW YORK, NY, June 16, 2026 – Signal Law Group has initiated a Vigilant Risk Score™ bulletin on TSS, Inc. (NASDAQ: TSSI) after the company disclosed a material weakness in internal control over financial reporting tied to ineffective management review controls. The bulletin flags securities disclosure-related risk indicators as the company continues to rely on low-margin procurement revenue while scaling its AI infrastructure services, using the Vigilant Risk Score™ framework to quantify these concerns. Investor questions about the adequacy and timing of prior disclosures may further elevate disclosure risk if financial reporting adjustments become necessary.

Investigation Overview

Signal Law Group opened this review following TSS, Inc.'s disclosure of a material weakness in internal control over financial reporting stemming from ineffective management review controls. The situation is occurring while the company leans on low-margin procurement revenue as it attempts to scale its AI infrastructure services, raising questions about how risks and financial dynamics are being communicated to markets.

The current Vigilant Risk Score™ for TSS, Inc. is 65 | Yellow, with an Event Momentum Signal (EMS) characterized as Building and a Legal Risk Indicator (LRI) assessed as Forming.

Company Overview

TSS, Inc. is an AI infrastructure services provider that currently depends heavily on lower-margin procurement-related revenue streams to support its operations and growth initiatives. The company is in the process of scaling offerings tied to AI infrastructure, which may involve evolving business mix, cash flow characteristics, and risk exposures.

As it navigates this transition, TSS, Inc. has reported a material weakness in internal control over financial reporting, specifically related to ineffective management review controls. This combination of control challenges and strategic shift can heighten scrutiny on how the company presents its financial condition and risk profile to investors.

Scope of Review

Signal Law Group's review focuses on securities disclosure issues related to TSS, Inc.'s recently disclosed material weakness in internal control over financial reporting and associated management review controls. The forensic scope includes: (1) evaluating consistency and completeness of past and

current disclosures concerning internal control weaknesses and remediation plans; (2) assessing how the company's reliance on low-margin procurement revenue, amid efforts to scale AI infrastructure services, has been characterized in public filings and investor communications; and (3) examining whether investor concerns about disclosure adequacy suggest a heightened risk of future restatements, adjustments, or regulatory scrutiny tied to financial reporting.

"We are closely examining how TSS, Inc. has communicated its internal control weaknesses and evolving revenue model to the market, particularly as it scales AI infrastructure services while leaning on low-margin procurement revenue," said Lou Schwartz, Chief Forensic Officer of Signal Law Group.

No Legal Action Statement

No legal action has been initiated by Signal Law Group at this time. This bulletin reflects an ongoing structured forensic review and is not a determination of wrongdoing. Signal will evaluate next steps based on data development, regulatory response, and applicable law.

Why this matters: Disclosed material weaknesses in internal control over financial reporting, especially those tied to ineffective management review controls, can signal elevated risk around the accuracy and reliability of financial statements. When such weaknesses coincide with a strategic shift, like TSS, Inc.'s reliance on low-margin procurement revenue while scaling AI infrastructure services, the stakes for transparent and timely disclosure increase. Investor concerns about whether past disclosures were adequate may heighten the risk that any future adjustments or restatements could trigger market volatility and regulatory attention. The securities disclosure-focused indicators highlighted in this bulletin are intended to help market participants gauge how these dynamics could affect risk-reward assessments for TSS, Inc.

Public Research Profile

Signal Law Group has launched a dedicated public research profile for this matter. Individuals may follow updates and submit information confidentially. Data submitted through the research portal may contribute to Signal's ongoing forensic analysis and clustering review.

[View Investigation](#)

[Submit Information](#)

Video Overview

A short video outlining the scope of the bulletin and the Vigilant Risk Score™ framework is available here:

FAQ

Q: What is the Vigilant Risk Score™ (VRS™)?

A: The Vigilant Risk Score™ is Signal Law Group's forensic analytics model designed to evaluate risk indicators associated with potential consumer liability exposure, using structured signals such as complaint clustering trends, disclosure consistency, and subscription representation patterns.

Q: What does "elevated indicators" mean in this bulletin?

A: It means the model's risk thresholds were met based on the inputs analyzed, suggesting patterns that merit further review. It is not a legal finding and not a determination of wrongdoing.

Q: Is Signal Law Group suing TSS, Inc.?

A: No. Signal Law Group has not initiated legal action at this time. The bulletin reflects an ongoing forensic review.

Q: What is the scope of Signal's forensic review here?

A: The review is focused on securities disclosure issues, including how TSS, Inc. has communicated its material weakness in internal control over financial reporting and reliance on low-margin procurement revenue while scaling AI infrastructure services. Signal is examining whether these disclosures adequately reflect the underlying risks and whether investor concerns suggest potential exposure if adjustments or restatements become necessary.

Q: How can someone share information with Signal Law Group?

A: Individuals can submit information confidentially through the public research profile.

Q: How will submitted information be used?

A: Submissions may be used to inform Signal's ongoing analysis, including evaluating whether reported issues cluster in ways that suggest repeatable patterns. Signal may also review publicly available materials related to the submission where appropriate.

Q: Will Signal Law Group provide updates?

A: Yes. Signal intends to publish periodic bulletins and updates as the analysis develops and as relevant data signals evolve.

About Signal Law Group

Signal Law Group is a New York-based research and investigations firm focused on identifying recurring corporate conduct patterns across consumer, financial, and technology sectors. The firm applies structured forensic analytics, including the Vigilant Risk Score™ methodology, to detect measurable risk indicators and emerging patterns that may warrant further review. Signal Law Group also makes certain analytical dashboards and monitoring outputs available to select institutional stakeholders under structured arrangements.

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