UPDATE - sep 19th: Latin wasn't the most convenient choice after all so we quickly uploaded an intermediate release 1.21 where the fallback encoding is MacOSRoman again. At least it works like it did before.

In releases 1.0 and 1.1 SRS tried to open a SRT subtitle with UTF-8 first and when that completely failed, tried it with the MacOSRoman encoding. Very often an old non UTF-8 subtitle open reasonably with it with 98% readable characters. The drawback was that e.g. Cyrillic files most of the times opened too with however something completely unreadable. In release 1.2 the encoding can be chosen so in principle their is no automatic fallback. SRS became more strict so to say. Files which opened smoothly in the past now return a blank screen an a message complaining about the wrong encoding. The "old" behavior can be more or less simulated just by choosing Latin as the encoding to open a file with or even as a preference. Remember UTF-8 slowly seems to become the standard so you might want to save your subtitles with an UTF-8 encoding from now on.

It's just a matter of choice. We could leave it strict, re-install a sort of Latin fallback or even try to guess the encoding automatically knowing that this is not a 100% safe procedure. Let us know what you want. We will take it into consideration.