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NoteSmith News 2023

January 2024

NoteSmith 2024 handling

NoteSmith 2024 will be distributed in this sequence for those who already paid their renewal:

Batch 1 Express Download: Emailed instructions and Installation Guide will arrive before January 7 assuming you provided us a correct email address. Check your spam filter and all your email addresses. Add our Support email address (support@notesmith.com) to the "white list" of your email program.

Batch 2 Regular Download: Emailed instructions and Installation Guide sent around January 20. This is the same as Batch 1, but two weeks later. Again, check your spam filter and all your email addresses.

Batch 3 Regular Postal Handling: Includes a hard copy of the Installation Guide and flash drive of the updated program, and will be mailed around January 20. Check your PO Box if you ever provided that as an address to us. If you ordered a manual, remember to look for your FlashDrive in the package.

Note to those paying by check: Checks mailed in the last few days of December run a significant risk of not being received before the December 31 deadline. Checks received after December 31 no longer qualify for the \$50 November-December discount and will be returned to you if they are not for the correct, January amount. Other reasons for checks being returned to you include such things as: incorrect amount, incorrect payee, mailed to an incorrect address, or were not signed. Renewals paid after December 31 are more expensive because they are filled individually by support technicians instead of in bulk.

Online features: You can add the online backup or personal web site from NoteSmith.com, Order, Current link.

Paying late: Print an invoice from Help, Renewal Invoice. Mail a check for the amount shown or use it at NoteSmith.com, Order, the Renewal link, to order the same items at the same price shown on the printout.

NoteSmith 2023

This is the last newsletter that will be downloaded by the NoteSmith 2023 program.

We continue to support the 2023 program for those who ordered 2024 renewals until their expected delivery date. Once you receive your 2024 package, install it immediately, import your existing data, and start using the new features available to you. Support emails/faxes will be answered during weekends in January for those with questions about IRS printing or electronic filing.

If you did not renew for 2024, your program will continue working as long as your hardware and operating system are kept healthy. NoteSmith 2023 cannot print the new year IRS forms, export to the credit bureau, or continue access to online backups or web sites. Most importantly, it will not be supported. Go to NoteSmith.com, Order, and choose the Renewal link right away. Renewal prices are approximately double after February 14.

Thanks

Thank you for choosing NoteSmith to manage your portfolio.

Daisy McCarthy, Manager of Licensing and Support

December 2023

NoteSmith 2024 order confirmations

We email confirmations of your renewal order in December. This is done so you know we received and processed your order. Some people will get confirmations more than once but please understand that many of our users rely on these confirmations.

Your order is due in our office - not *postmarked* but **due** - December 31. We hold all checks until January so mail your invoice and check today. Renewal prices increase on January 1.

Windows Operating Systems

NoteSmith 2024 will run normally on Windows 7, 8, 8.1, 10, and 11. Windows XP is no longer supported by Microsoft so you should not be servicing the loans of other people on such an unsecured and outdated platform. NoteSmith will run on XP but the manual dropped explanations specific to XP.

Current address!

Please use our current address for orders and correspondence:

Adagio Systems, LLC/Princeton Investments,
1001 E Harmony Road, Suite A-110, Fort Collins, CO 80525

Common issues

During December and January, we always see the same issues. Please, please, please help reduce the time you spend and the delays starting your new program by following the instructions in your Installation Guide EXACTLY.

Installation: The most common set of questions we see has to do with installation. The Net program is designed NOT TO WORK if the directions are not followed exactly. Share and map the PRINCETON folder.

Activation: The second most frequent set of questions we see has to do with program activation. You cannot activate the first few days the program is installed and there is no reason you should deactivate it either. It is fully functional and will warn you when you need to activate. The activation directions should take an experienced NoteSmith user 2-3 minutes.

1098s: In January, a frequent question has to do with IRS Form 1098. The paper and electronic filing directions are in Help along with the most common causes that a form does not print for one of your customers. You will need NoteSmith 2024 to print and file your 2023 payment data.

Online backup

If you have an online backup with us, NoteSmith can send the data automatically to the NoteSmith.com site once a month and the NoteSmith.net site on a different day each month, giving you two locations, two different dates. And Yes, it can be done automatically.

For those who may not have an online backup with us, it is only \$49 for the year and gives you the capability to make a compressed, encrypted copy of your data and store it at our web sites. Add your own password, the program adds another password, and upload to our password protected site so your data is TRIPLE password protected. If your computer is lost, stolen, vandalized, or crashes, your data is safely stored off site. If you have technical support issues with your data, provide us your password and we can have a look at your data and provide assistance.

NoteSmith licensing questions

Each year we get a number of questions about NoteSmith licensing. The best resource is the NoteSmith End User License Agreement (NEULA) in the front of the manual, from pop up help, or at our web site. Here are answers to two common questions.

If you will be renewing your support for 2024, you receive a new package (physical or via email) with new program files on a FlashDrive and a 4 page Installation Guide. For a small fee, we can include a printed manual. The files on the FlashDrive and the download are the program files we will support for the coming year. You receive a significant discount over ordering a new NoteSmith because your new installation replaces the old installation, it does not double your user licenses. The old media is not meant to be given to an "associate" or other acquaintance. It needs to be securely retired. Someone else using your old software while you use the new software violates federal copyright law and the NEULA.

NoteSmith Pro is single (1) user, two (2) installations, the main one for daily use and a second as a backup so you are never down if something happens to your computer or office. Both installations need to have the exact same data and input should be done only on the main installation. There is **no** two (2) user license of **any** NoteSmith version.

Holiday schedule

This season, from December through Valentine's Day, is the busiest time for us. Our renewal orders are processed and shipped only during this time of year, which necessitates hiring temporary help and pressing our normal staff to help with once-a-year orders. We still expect to respond to all technical support requests within one business day although you might experience additional turnaround hours. We will be answering support on weekends during January to help with installations and IRS forms.

From Christmas Eve through New Year's Day, we will be on light duty. This is a time for all of us to spend with our families and our friends. Please be safe this holiday season and have a fun, relaxing visit with your loved ones.

Thank you

As always, all of us here thank you for your continued support of our software.

November 2023

NoteSmith 2024 Announcements

E-filing for IRS Forms 1099-A and 1099-C is now included in NoteSmith Pro 2024. As explained below in "E-Filing (Electronic Filing of IRS Information Returns)," the threshold for **mandatory** information return e-filing has been reduced from 250 returns of a single type to 10 returns of all types combined. NoteSmith has long included generation of the files for e-filing 1098s and 1099-INTs, but NoteSmith 2024 also includes e-file generation for 1099-A and 1099-C, facilitating compliance with these new IRS rules. As has always been the case, e-file generation is a Pro Feature and is not included with NoteSmith Basic.

NoteSmith Renewal for 2024. Your current 2023 program will remind you that you can print your own annual technical support invoice from Help, Renewal Invoice. This allows you to choose from a list of options, gives you the correct total, and fits in a double window envelope correctly addressed. You even can signify if any of your contact information is new this year before printing.

This year we will offer Batch 1 (Express Download), Batch 2 (Regular Download), and Batch 3 (Regular Mailing) delivery:

- Batch 1 Express Download is a download of NoteSmith 2024 and gets you the earliest delivery - perfect for preparing IRS 1098s or 1099s to mail to your customers. Emailed instructions and Installation Guide will arrive before January 7 assuming you provided us a correct email address. There is a small handling charge for this early download.

- Batch 2 is the Standard Download option for no additional cost, with emailed instructions and Installation Guide sent around January 20. This is the same as Batch 1, but two weeks later and, as a result, for no additional handling charge.

- Batch 3 includes a hard copy of the Installation Guide and flash drive of the updated program, and it will be mailed around January 20, probably in time to print and mail forms, but do not cut the IRS deadline this close if you will be preparing IRS forms.

Renewal Due Date

The due date for your payment to arrive in our office is December 31, 2023.

Our annual postcard announcements will be mailed around Thanksgiving although we encourage people to use the more detailed Help, Renewal Invoice. If you do not receive a postcard, be sure we have your correct postal mailing address. Summary information about renewals appears in the mailing, with full details at NoteSmith.com. Don't wait too long to order your program.

Regardless of when you return your payment, orders are not filled until January and checks are not deposited until then so there is no reason to wait to mail your check.

E-Filing (Electronic Filing of IRS Information Returns)

The IRS has made significant changes to e-filing requirements and processes for information returns (1098, 1099, etc.). The threshold for mandatory information return e-filing has been reduced from 250 returns of a single type to 10 returns of all types combined. This means that far more people/companies will need to e-file their information returns in 2024 (for tax year 2023). To e-file, you need a Transmitter Control Code (TCC), and the TCC you may have had in the past will no longer work unless you renewed it before August 1, 2023 (www.irs.gov/tax-professionals/about-information-returns-ir-application-for-transmitter-control-code-tcc-for-filing-information-returns-electronically-fire). To request a TCC, you need to first verify your identity through a new verification system called ID.me. Then, you will complete the "Information Return (IR) Application for

Transmitter Control Code (TCC)" (see below). For more information on these requirements and processes, go to www.irs.gov/e-file-providers/filing-information-returns-electronically-fire. As always, we recommend that you review these new IRS requirements with your CPA or tax advisor.

Update your program file

We cannot recommend enough that you update your program file from Help, Technical Support, Update. Detailed directions appear in the printed manual, the PDF manual, and the FAQ file that can be opened on that tab by clicking the blue link. If your NoteSmith program cannot connect to our web site, it means that the internet security software you installed on your computer is blocking NoteSmith. Read our FAQ or the directions for your security software to see how to mark NoteSmith as a Trusted Program.

Run As Administrator

Starting with Vista and continuing on to Windows 7, 8, 10, and 11, Microsoft beefed up computer and internet security. One of the features they added was requiring a real human being to click a button to allow certain functions that could otherwise take down your computer.

Updating any program that is installed on your computer involves replacing executable files stored in protected Windows folders. It would be disastrous to place a malicious file in such a location where it would gain control of your computer--or worse!

Updating program files, therefore, requires you to temporarily assume the role of a computer administrator and click buttons that appear on screen. So, after downloading a freshly updated NoteSmith program file, you must run the program as an administrator, telling Windows it is OK to make the file substitution. If NoteSmith gives you such an instruction, simply exit the program, right mouse click the NoteSmith icon, and choose Run As Administrator from the pop up menu. After NoteSmith updates the files, it tells you to exit and restart the program normally as a user would, by left mouse clicking the icon.

IRS Forms

Be aware that IRS 1098 is a two up form again this year, because the IRS wants more information on each account. They now require the origination date of the mortgage. The exact property address is required in Accounts, Edit, Collateral. Mortgage insurance premiums have their own box. For IRS 1098 accounts that pay mortgage insurance premiums, enter MIP in the Reference field when recording the payment in NoteSmith 2023 so the information can be used this coming January. Starting with tax year 2019, the IRS added a field for reporting the Mortgage Acquisition Date for a mortgage acquired during the tax year. In addition, the definition of the "Outstanding mortgage principal" field changed to include the principal on the date of origination or acquisition, if in the tax year. Finally, the IRS 1098 includes a field for reporting the number of properties (in excess of one) that secures a single mortgage.

If you file paper forms 1098, 1099-A, 1099-C, or 1099-INT, call 1-800-TAX-FORM or go online to order them today. The IRS always runs out. You need one 1096 cover sheet for each type of form filed by mail. These forms are printed with red ink on white paper. You cannot print your own A copy of the forms for filing with the IRS. The B and C copies for you and your customers are printed by NoteSmith on plain paper, but the A copy you send to the IRS must be an original form.

The bottom box of the bottom form on each IRS 1098/1099-INT cannot be reached by some computer printers but needs to be filled in with an account number if you have more than one loan with one taxpayer. Beware of this and verify that the forms are completed fully.

NoteSmith supports the IRS version of the forms, which you can order for free. If you buy forms from an office supply house, realize their margins may not exactly match the IRS version and NoteSmith may not print to them reliably.

IRS 1098 B Copy and window envelopes

For several years, the size of the 1098 B Copy in NoteSmith was reduced to better fit common window envelopes. This approach created other problems and has been discontinued (that is, the 1098 B Copy is now standard size per IRS guidelines). There are two simple solutions for using the NoteSmith 1098 B Copy with your window envelopes. First, window envelopes that are designed to fit the standard 1098 B Copy are readily available. Second, printing these forms at 75-80% scale (rather than 100%) will size them to fit many common window envelopes.

New Address

Did you move in the last year? Email us your change of address.

We at NoteSmith hope you and yours have a wonderful holiday season!

Daisy McCarthy, Manager of Licensing and Support

October 2023

IRS e-filing changes -- Important

As reported in the September newsletter, the IRS has made significant changes to e-filing requirements and processes for information returns (1098, 1099, etc.). The threshold for mandatory information return e-filing has been reduced from 250 returns of a single type to 10 returns of all types combined. This means that far more people/companies will need to e-file their information returns in 2024 (for tax year 2023). To e-file, you need a Transmitter Control Code (TCC), and the TCC you may have had in the past will no longer work unless you renewed it before August 1, 2023 (www.irs.gov/tax-professionals/about-information-returns-ir-application-for-transmitter-control-code-tcc-for-filing-information-returns-electronically-fire). To request a TCC, you need to first verify your identity through a new verification system called ID.me. Then, you will complete the "Information Return (IR) Application for Transmitter Control Code (TCC)" (see below). For more information on these requirements and processes, go to www.irs.gov/e-file-providers/filing-information-returns-electronically-fire. As always, we recommend that you review these new IRS requirements with your CPA or tax advisor.

Requesting a TCC for electronic filing

We highly recommend that you request a Transmitter Control Code (TCC) number for electronic filing (e-filing) of IRS Information Returns (1098, 1099). As of September 10, 2021, IRS Form 4419 was retired and replaced with the new "Information Return (IR) Application for Transmitter Control Code (TCC)" (information at: <https://www.irs.gov/e-file-providers/filing-information-returns-electronically-fire>). Note that this application can take up to 45 days to process, so do not wait to complete this application.

Spam

Our Technical Support team has reported a recent increase in the number of emails that are being spammed (that is, being automatically sent to the Spam folder). This is true in both directions - from the user to the Technical Support team and from the Tech Support team to the user. Our suggestion is to be sure to check your spam folders if you haven't received a timely response to your email sent to our team.

NoteSmith 2024 - Renewal delivery options

The new program is being finalized and tested. For those of you who need to purchase a new/additional license, the target date for availability of new, full NoteSmith 2024 licenses is November 15, 2023. *Renewals* in January will be offered three ways again this year. As was the case last year, the early mailing option has been eliminated, and **the only early option will be via download**. The earliest "Batch 1" delivery (for \$10) is a download option, with emailed instructions and Installation Guide sent around January 4. The middle "Batch 2" delivery option is also a download option (for no additional cost), with emailed instructions and Installation Guide sent around January 20. The latest "Batch 3" delivery (at no additional cost) is a mailed packet sent around January 20. If you have a concern about the timing of your delivery, be sure to pay the few extra dollars for the "Batch 1" Express Download delivery.

Checks, NoteSmith Renewals, and New Address

Our financial institution asked us to pass along a few years ago that the Feds are getting more picky about the Payee names on checks. This may affect your incoming loan payments as well as payments you make. For our purposes, checks need to be made out to our company name:

Adagio Systems, LLC ("Princeton Investments" works, as well)

Also note that our correct street address is:

1001 E Harmony Road, Suite A-110

Fort Collins, CO 80525

We have used this address since 2011 so please be sure your check writing or addressing software shows this address.

Internet Security Software

This is a reminder about issues that sometimes arise due to recent releases of internet security, anti-virus, and firewall software programs as it affects programs installed on your computer, including NoteSmith. Two issues we sometimes see include:

1. *Random errors are reported by NoteSmith.* The program states that files are missing which in reality have been renamed by your internet security software. Your software renames NoteSmith files as it scans, then renames them back to the original if the file is clean. Multiple files needed by NoteSmith cannot be scanned quickly enough, either because your hardware is too slow or too many files are being requested in rapid succession, so the security software fails to finish scanning and does not rename the files. Programs such as Microsoft Word may open only one or two files in a session so you never notice this behavior, while NoteSmith needs as many as 14 files when recording a single payment.

2. *NoteSmith cannot access the internet to retrieve updates or newsletters.* A few years ago, NoteSmith added the capability of automatically downloading any program updates made during the month to avoid manually "freshening" as we offered in the past. Also, the monthly newsletter can be retrieved at the same time NoteSmith checks for updates instead of it being sent by bulk email as we used to do. The newsletter is posted at the NoteSmith web site and the program will download it and any updates monthly. Some people have not benefitted from this because their security software is blocking NoteSmith from accessing the internet.

Both of these issues are easily resolved simply by making two changes to the settings in your internet security or anti-virus software. Tell it that NoteSmith (or NSWin.exe) is a trusted program and that you want to make periodic scans (hourly or daily) instead of continuous scans. There is no reason to continuously scan NoteSmith data files because they are not executable so cannot initiate any virus, hacker, or spam activity. Details on this topic can be found in the current FAQ PDF file available using your browser at NoteSmith.com, Technical Support, Downloads.

Thank you for choosing NoteSmith to manage your portfolio.

Daisy McCarthy, Manager of Licensing and Support

September 2023

IRS e-filing changes -- Important

As you are probably aware, the IRS has changed the requirement for e-filing information returns such as 1098s and 1099s. If you need to file a combined total of 10 or more returns, you are required to file them electronically, starting with Tax Year 2023 returns (for filing in 2024). NoteSmith Pro and Net have included functionality to prepare the files for 1098 and 1099-INT electronic filing for many years. More information on NoteSmith's e-filing capabilities will be provided in future newsletters and emails. As always, we recommend that you review these new IRS requirements with your CPA or tax advisor.

NoteSmith 2024

We are putting the final touches on NoteSmith 2024 and testing is beginning. Your current program will pop up a message and allow you to print an invoice with your choice of options. Then a postcard announcement will be mailed in November to be sure we do not miss anyone. The 2024 update will be sent in January, with download options to save you time and money.

Delivery options for NoteSmith 2024: Once again, there will be three delivery options for next year, which are unchanged from NoteSmith 2023 in January of this year. The earliest "Batch 1" Express Download (for \$10) is a download option with emailed instructions and Installation Guide sent around January 4. The middle "Batch 2" delivery is a Regular Download option for no additional cost, with emailed instructions and Installation Guide sent around January 20. The latest "Batch 3" delivery (at no additional cost) is a mailed packet sent around January 20. However, with materials, labor, and shipping costs increasing, download delivery, long the industry standard, is a faster, less expensive option that is also better for the environment.

Follow the directions in this newsletter in the coming months, or as your program presents them in November.

NoteSmith Pro

A common issue we handle each year is: onto how many computers can NoteSmith Pro be installed? The simple answer is two, but only if those both belong to you, the NoteSmith Pro customer, and are never used at the same time. The only ways we license use of Pro is either 1. A working installation and one for backup just in case; or 2. A working installation at the office, backing up the data, and taking it home to the other working installation, which effectively is also a backup installation.

NoteSmith Pro is not licensed to two employees of one corporation. It is not licensed for use by you and your CPA, nor you and anyone else. NoteSmith Pro is a single (1) user software program. There is no two-user license for any NoteSmith program. If you have questions or concerns about this, contact technical support.

Changing calculated numbers

We receive questions on occasion about changing the amount of interest or the balance of a note by a few cents or a few dollars. Every question like this is handled the same way based on the fact that NoteSmith services somewhere between \$1-2 billion dollars of notes in any given month and that the formulae in the program have been stress tested with real notes for at least 2 decades.

This means that there are only two possibilities when the interest or balance needs to be changed. The numbers you used at the start are incorrect or the numbers you would like to see as a result are incorrect. You may have seen an Adjustment function within NoteSmith that allows certain carefully protected changes to your accounts. It is explained distinctly on the relevant screens and in the manual, but I will emphasize that it is only for the use of land developers and even so, under limited circumstances as allowed by the IRS.

Please consider this information carefully and contact the NoteSmith technical support staff if you want to change any calculated number.

Summer is over!

I hope you have a safe holiday weekend. Remember this is one of the more dangerous driving weeks of the year so slow down and take a few extra precautions while behind the wheel.

Thank you for choosing NoteSmith to manage your portfolio.

Daisy McCarthy, Manager of Licensing and Support

August 2023

Activation

Every summer, we receive a number of questions concerning NoteSmith activation. More specifically, the questions have to do with how someone might get one for free. The various reasons include computer crashes, computer viruses, ransomware, theft, fire, new computer, and the reinstallation or upgrading of Windows.

We provide a method for you to move an activation from one computer to another or from one version of Windows to another. See the manual. If you lose an activation, we offer you a 33-66% discount to replace it depending on the NoteSmith model you license. If you use NoteSmith Pro, you get one activation plus a backup activation at no extra charge in case you lose the original. If you use NoteSmith Net, you have 5 workstation activations so you should never be out of business.

Finally, do not think that we are unique in this. Some companies force you to have a hardware dongle plugged into your computer. Some require a continuous internet connection to monitor your use of the software. We merely ask you to access our web site once a year to verify you are using a legitimate copy of NoteSmith.

Online Backup reminder

If you use the optional NoteSmith Online Backup (highly recommended), or even if you use your own backup method, we have one simple piece of advice: make sure your backup is actually being performed! We have been contacted a number of times over the years by users who have lost their data for one reason or another (crashed hard drive or computer, user error, etc.) and have only then learned that the backup they thought was happening, wasn't. Don't start your backup and walk away; watch to make sure it is completed. And test the backup files from time to time. Backups are priceless when they are needed, but only if the backup files are there!

Lost passwords

Recently, a customer told us that their computer died so they reinstalled NoteSmith onto another computer. When they tried to restore from a backup, the downloaded file refused to open, stating that the password they entered was incorrect. This is not a NoteSmith issue; you must have your password to maintain access to your customers' data. Think of the reason for having a password: it is to keep prying eyes out of the sensitive financial data which belongs not to you but to your customers. Therefore, be sure to save the password and store it in a secure location. Do not type a copy of it onto your computer so the data and the password appear in the same location! If you lose your password, do not expect we can recover it for you. We did not leave a back door into your data because a hacker would be able to access that door as easily as we could. *Just assume that if you lose your password, you have lost your backup data.*

Updating

We always encourage NoteSmith customers to update their program files at least once each year although once a quarter is more realistic. The program itself will do so automatically at the start of each month. Update your program now from Help, Technical Support (or see the User's Guide to do it from your browser) to add recently modified features.

There is no magic to updating. Files are copied to your hard drive from our web site. You have to exit and restart NoteSmith by right mouse clicking and selecting Run As Administrator (see the printed or PDF manual for what that means) so the files can be copied to a special folder where Windows can protect them from outside, malicious intent.

You may have to tell your internet security software that NoteSmith is a trusted program so it can access the internet. All internet security and anti-virus software can recognize Microsoft Office, QuickBooks, and other

widely used programs but has no idea if specialty software you install such as NoteSmith is safe or not. You have to tell it. Some suggested steps appear in the NoteSmith FAQ file at the web site or from Help, Technical Support.

NoteSmith 2024

We are coding NoteSmith 2024 now. If you have ideas for NoteSmith, now is a good time to send them to us. We incorporate suggestions into NoteSmith every year and although we may not be able to modify the code in time for next year's release, we will be happy to consider anything for the following year.

Look for our announcement in the mail sometime around Thanksgiving. Meanwhile, make sure you have our correct mailing address: **1001 E Harmony Road, Suite A-110, Fort Collins, CO 80525**. The street and suite were changed several years ago, but some people forgot to enter this into their address book or check writing program. The old Oakridge Drive address is not available to us. Please check right now that you have our address in your database, address book, Quicken, and QuickBooks.

Checks should be filled out to read **"Pay to the order of Adagio Systems, LLC"** (the parent company for NoteSmith) or **"Pay to the order of NoteSmith."**

Please note that if you pay using PayPal, the confirmation/receipt you receive from them will read "Adagio Systems, LLC." There was a name change for the parent company of NoteSmith several years ago from Princeton Investments, Inc. to Adagio Systems, LLC.

Email

We have supported NoteSmith by email since 1996, which is now over 25 years. We do this because email support, compared to telephone support, saves you about \$3,000 on your initial license and \$150-500 each year. Email allows us to send you exact steps in writing known to resolve your issue so you can refer to them in the future. Email also allows us easily to save the text of the incoming correspondence which is helpful for a variety of reasons.

A remarkable 95% of you have provided us with email addresses. If you send us a question by email, be SURE to check that email account for our response. Far too frequently we get an email sent from an address that is no longer valid. Check the address being displayed on your outgoing emails. Also check your anti-spam filter in case our messages are being filtered and add our email address to your "White List" or "Trusted Senders List." We use plain text, no graphics, and no CAPs to reduce the chances of our messages being filtered, but remember we have no way to tell if your email account is blocking us.

Upgrade ideas

Thanks to everyone who has sent an idea to make NoteSmith more usable for all. Some have been incorporated for 2023 or 2024 and some are still on hold. We need to be sure that the idea is useful for a significant number of our customers, so we do not lengthen the menu system with options that most may never use.

August already! Where is the summer going?

Daisy McCarthy, Manager of Licensing and Support

July 2023

NoteSmith 2024

Coding is underway for NoteSmith 2024, the manual is being revised, and next year's tax forms are being burned into the program as we learn of the changes that invariably happen.

Windows 10, Windows 11, and changing computers

NoteSmith on Windows 11 works just as it did on Windows 7, 8, 8.1, and Windows 10. Windows 10 and 11 have taken the best features of Windows 7, 8, and 8.1 so we can recommend them as useful operating systems based on that.

Be sure to follow our deactivation directions EXACTLY to move your NoteSmith installation from an older computer to your new one or if you update your version of Windows, which is exactly like having a new computer as far as NoteSmith is concerned. You need to print a paper receipt from the NoteSmith program on the old computer to move that installation to a new computer without charge for an additional 2023 activation.

This also applies if you send your computer out for repairs, suffer a major virus attack, or need to reinstall Windows. If you do not deactivate the program AND print a paper receipt, that installation will be immediately and permanently lost. It only takes 30 seconds to do it properly. Be sure to let any outside consultant or technician know the steps involved.

Note modifications and refinances

The support staff reports that the issue of how to deal in NoteSmith with modifications and refinances comes up often. Study the information below, which is NoteSmith advice but contains some warnings on taxability. Consult your professional, licensed tax advisor.

Refinance: A refinance closes the original note and replaces it with a new note. In NoteSmith, likewise, you would close the original note by entering a Date Closed and Price Closed into Accounts, Edit, Investment, then add the new note if the refinance was through your company.

Modification: Changing the terms of the original note, with the borrower's consent of course, could benefit both of you. This can be done using a note modification agreement. You might do this after buying a note at a discount because being paid off a bit sooner can raise your yield even if you sacrifice some of the cash flow. Possibly you need to give the borrower a break for a few months while they overcome a crisis. See the Step Payment function under Tools, Financial Calculator, where you can experiment with different scenarios. Significant changes to the amount owing or the terms may constitute a "material modification" and make you subject to an IRS taxable event so check with a professional.

Internet security software

When installing new internet security software, including anti-virus software, you must tell it that NoteSmith is a safe program. Most internet security software will recognize Word, Excel, and QuickBooks because of the millions of installed copies. None will recognize specialty software like NoteSmith. Similarly, you must tell your security software that each new installation of NoteSmith is trusted. NoteSmith 2023 is NOT the same program as NoteSmith 2022, for instance, and your security software will not trust the new program just because you set up the old one as trusted.

One significant ramification is that your security software may think NoteSmith is tampering with your data files when you tell it to run File, Utilities, Backup or Maintenance, stopping the process mid-function, leaving some of your data files misnamed and unusable. Further, NoteSmith will be blocked from accessing the internet, preventing your computer from downloading the newsletter, the most recent FAQ file, and any updated program file.

You simply have to tell your security software that NoteSmith is "Trusted." The location varies among all security software so download our FAQ using your browser if necessary for a detailed explanation of places you might look to find the settings.

While you are at it, you do not want your NoteSmith files scanned constantly as the program is using them. NoteSmith might access 15 files to record a single payment so if your anti-virus software tries to scan all of them, NoteSmith will not have the immediate access it expects. A multitude of strange and one-time errors will appear on screen. Set up your security software to do a scan when your computer is idle, not in real time.

Have a safe and happy holiday weekend.

Daisy McCarthy, Manager of Licensing and Support

June 2023

Screen font sizes

If you are having trouble reading text on your screen, go to your *Windows Control Panel/Settings, Appearance* (on older Windows versions), *Display* and change monitor resolution to a smaller set of numbers. Too high a resolution makes everything very tiny (i.e., the highest resolution gives the smallest font size). Setting a lower resolution will make not just fonts larger but all icons, windows, and messages. It takes a very large monitor to make fonts legible at the highest resolution and it is not necessary for most purposes. All NoteSmith versions up to 2023 can handle many popular screen resolution settings, up to about 1600x1200. When using high DPI (dots per inch) monitors recently coming to market, 3200x1800 or more, NoteSmith 2023 can adjust its fonts and window sizes according to your Windows settings or you can customize them (in NoteSmith) from *File, Setup, Program*.

Sold and closed notes

After servicing a note portfolio for some time, you will end up with notes that have been sold, paid off, or abandoned. A frequent question we see is how to handle this in NoteSmith.

For payoffs, just record a Payoff (Y) type payment. This is similar to a Principal (P) payment but also closes the note by entering a Date Closed in Accounts, Edit, on the Investment tab. You have a choice of rolling in any escrow balance or ignoring the balance to refund it separately, depending on the law in your state.

Notes that simply pay out, are foreclosed, or abandoned need to have a Date Closed entered manually. Generally, there will be no further payment so your Price Closed will be zero. Any difference between the Price Closed and your Basis (this is a calculated figure, so you cannot edit it) will be a capital gain or more likely capital loss, which shows on Reports, Portfolio, Capital Gains.

Accounts with a date in Date Closed will not appear on many reports, such as Due Dates and Aging. This is the primary purpose of Date Closed. For other reports where closed accounts might appear, NoteSmith Pro users can create a filter of "not empty(sold_date)" or "sold_date>{1/1/1980}". There is a sample filter in the program.

Another Pro feature is Accounts, Move. You can create a second data folder (*File, Setup, Folders*) called Archive or any other name you prefer and move the closed accounts to that folder. This is probably better if you have a portfolio with hundreds or thousands of notes. We suggest that if you want to move closed loans, you wait at least one full year to do so. In other words, this being 2023, do not move any loans that paid out in 2023 or 2022, but 2021 and earlier. You will need to refer to last year's notes for IRS forms, reviewing your taxable situation, or handling borrower calls. Once moving notes to a second folder, each new NoteSmith version will require you to set up a new Archive folder and import your data from the old program's Archive to the new program's Archive. This is quicker to do than it is for me to type out. Be sure, too, that both folders get backed up, meaning off of your computer and out of your office. Details on all these matters appear in the manual.

Email

Almost all NoteSmith customers have provided a valid email address. Thank you for making our job of supporting you that much easier. If you make an email change, please let us know. One suggestion: If you will be informing all your friends, relatives, and business associates at the same time, put all the email addresses in the BCC (Blind Carbon Copy) and not in the CC. Otherwise, some of your former friends and ex-relatives will be mortified to see their email addresses sent to businesses and individuals they do not know.

Backup

We always get questions about backups and here are a few things we tell people:

- Make sure your backup really works! Have a look at the files and compare the NoteSmith Data folder to your backup. You might install NoteSmith onto another computer temporarily, then restore your backup to it to make sure your backup is valid.
- NEVER make a backup copy over the top of a known, good backup unless you have a newer known, good backup. We have had numerous people tell us they had backed up to one disk for 5 years and when they needed it, the disk did not work anymore.
- A copy of your data stored on your normal C drive only marginally can be considered a backup. It can be reused if you completely deleted an account, for instance, but is useless if your hard drive or SSD fails, which will take down your data and all copies of your data. A true backup copy is stored on other, preferably removable media, and *always* stored at a remote location.
- You really need four backup copies made to removable media to cover most issues. Have an odd month and an even month copy, one kept off site, and an odd day and an even day backup generally both kept in your office. This is the *only* way to restore access to your data if you are hit by a ransomware virus unless you want to risk trying to pay the ransom, which can generally be done only in BitCoin or similar cryptocurrency, by the way.
- Realize that a FlashDrive that you burn in your office computer does not last forever, maybe 5 years or so.
- For only \$49 a year you can backup offsite to our web site and we'll copy it monthly to a FlashDrive to be stored at yet another site. That means your data, which is encrypted automatically by NoteSmith, is stored on a web site computer, an office computer, and a FlashDrive. If you alternate between our dot com and dot net servers on alternate months, you can make that one more backup location.

Spring turning to summer

Spring is in full bloom and summer will surely follow soon. Have a safe and enjoyable summer season.

Daisy McCarthy, Manager of Licensing and Support

May 2023

Ransomware, again

We have heard of multiple users who have had their entire hard drive encrypted for ransom. We have been preaching the benefits of backups for 30 years! You have got to make backups, one has to be off site, and one has to be made on a date other than your last known good backup. It is not that hard, it takes just minutes, and it saves you dozens or hundreds of hours. Read the "Backup" section in the manual for ideas and suggestions.

Marking accounts

A helpful feature is the ability to mark accounts to easily run reports or send letters to a selected subset of your portfolio, especially for one-time use. Under Accounts, Lookup (or just type L from the main menu), the Lookup window shows 5 columns. If yours does not, widen it by dragging the lower right corner with your mouse. The right most column is a series of checkboxes.

Click the button underneath to unmark or mark all accounts. Click it so that all accounts are unmarked (unchecked), then check five accounts. Run a Reports, Portfolio, Due Dates report to screen. Notice that the only accounts appearing are the five you checked. Go back to the Lookup window and click the button to mark (check) all accounts.

This feature is really handy for sending form letters to just a few people. Remember always to Mark All because accounts left unmarked will not appear anywhere. Unmark All will cause every report to display "No data was found." Its purpose, of course, is to unmark all accounts so you can mark just a few as necessary.

Marking is basically a customized version of running a filter or setting an investor code in File, Company Configuration except you get to pick and choose.

Updating

This time of year we are busy coding the changes we are likely to make to the current NoteSmith program files. If you are aware of a change we did not incorporate, please let us know.

Windows anti-virus software

Specialty software like NoteSmith is unknown to an anti-virus program so it is up to you to tell it that NoteSmith is a known and trusted program. Otherwise, it will do exactly as you ask and block NoteSmith from functioning on your computer. NoteSmith files will be inaccessible, generating error messages, while your anti-virus software is thinking it is protecting you from harm.

Further, while you might open one Word document and use it for 15 minutes, NoteSmith might open 15 files in one minute! Did you install an automatic backup program that copies every changed file? NoteSmith may open as many as six files when you record a payment, generate 8 more strictly for its own internal use, delete them when you exit the window, and meanwhile your backup program is trying to copy all of them!

Some helpful details are in the NoteSmith FAQ file but you need to read the directions for your security or backup software. Tell it NoteSmith is a trusted program on your computer and to scan or backup only when it is not in use.

Testing a backup

We have been asked a few times about how to know if a backup was good so that a restore would be valid. This is a great question and everyone should test a backup to be sure.

To test using only one computer:

1. Record a large payment in one account using tomorrow's date so it is easy to find.
2. Go to File, Utilities, choose Backup, enter C as the drive letter, then OK. Make sure this completes without errors, otherwise do not proceed.
3. Put a blank flash drive into your computer and note the drive letter assigned by Windows. You may have to open MyComputer, Computer, or Windows Explorer to find out.
4. Go to File, Utilities, choose Backup, enter the drive letter of the flash drive, then OK.
5. Go to Accounts, Record and delete the payment you just recorded.
6. Go to File, Utilities, choose Restore, enter the drive letter of the flash drive, then OK.
7. From Accounts, Record, be sure your test payment appears and delete it.

To test using two computers:

1. Do steps 1-5 above on your first computer.
2. On the second NoteSmith computer, start the program and do only steps 6-7. Remember that this second computer may assign a different drive letter to your flash drive so enter the correct drive letter.

To test using the online backup (this is an optional feature which already should be set up):

1. Do steps 1-4 above to be sure you have two good backups.
2. Go to File, Online, Backup. Retype your password using upper and lower case letters, numbers, and punctuation to avoid password issues. Click Connect.
3. Go to Accounts, Record and delete the large payment you recorded earlier.
4. Go to File, Online, Backup, choose Restore, then Connect.
5. From Accounts, Record, be sure your test payment appears and delete it.

If your test fails, go to File, Utilities, choose Restore, enter C as the drive letter, then OK. Figure out where the problem might be. NoteSmith can only back up or restore a complete data folder, not individual files, not individual accounts, nor a subset of payments.

Lost Media Key

Go to NoteSmith.com, Order Forms, select the Current link, and scroll down the page. Replacing lost paperwork, manuals, or NoteSmith FlashDrives is not part of NoteSmith technical support.

Scam

A friend of a friend related a story about having a computer issue. Somehow they clicked a link to Comcast, their internet provider, and spoke with technical support. After providing access to their computer remotely, and giving some PIN information, they discovered they were not talking to Comcast at all but basically to a hacker! I, myself, have received several calls from "Microsoft Support" asking for access to my computer; maybe you have, as well.

This is not a Comcast or Microsoft story but a common-sense story that applies to your bank, the IRS, Social Security, or your brokerage house. If you have to call someone these days, look up the telephone number on your monthly bill or, carefully, online. If someone calls you, get a return phone number, hang up, confirm it, then call the company. The IRS, incidentally, will never call.

Windows 11

As mentioned previously in this newsletter, Windows 11 is now shipping and is the pre-installed operating system on most new PCs. Based on our evaluations, NoteSmith appears to run without any issues on Windows 11-equipped PCs, as it does on Windows 10 and Windows 8.

Everything is blooming and summer is right around the corner. Enjoy!

Daisy McCarthy, Manager of Licensing and Support

April 2023

Deferring payments

Should you decide to defer payments from your customers during difficult times, you can follow these instructions: If you are deferring both the payment and the interest, you can edit the account and then change the interest rate to zero. Now you can record zero payment(s) for the deferred payments and they will not accrue interest but will advance the payment counter. Once you are ready to accept payments again then go back into the edit screen for the note and change the interest rate to the default rate, the payments remaining, and the maturity date.

No fooling!

Don't forget that Saturday is April 1, aka Fool's Day. Don't get fooled! I am not fooling when I tell you the IRS modifies the 1098 form almost every year, and you can bet that the 1098 you will need to file in 2024 will be different than the one from 2023. Most of the changes are to format and organization, but some years bring other surprises! In any case, NoteSmith 2024 will be prepared for the changes. You will once again need to report the number of properties that are secured by each of your 1098 loans. If that number is other than one (1) for any of your accounts, store that number in the customer's Notepad. Also expect to have to report information on loans originated or acquired during the tax year, including outstanding principal and acquisition date.

High Resolution Displays and Printing

One feature we added "under the hood" a while back concerns newer laptops and tablets with high resolution (high DPI) displays, in the neighborhood of 1900x1600, 3200x1800, or higher. NoteSmith may appear in too small a window under such high settings.

Go to File, Setup, the Program tab, and a font sizing box should appear near the upper right corner. Try 125%. If it does not appear, go to Help, Technical Support, Update. Be sure NoteSmith 2023 is designated as a trusted program in your firewall and security software.

High DPI monitors also render some printing far too large for a single page. If your print previews show only the upper left corner of the page, there is a Shrink Reports checkbox near the font sizing box. This also speeds up multi-page print runs that take too long.

Over Thirty Years of NoteSmith

We are currently working on NoteSmith 2024, *which will be our 37th anniversary*, but we accept suggestions all the time for new features. There is still time for a suggestion to be added if it applies to a significant number of users.

Ransomware

I mentioned ransomware last month. The source may be an unintended visit to a malicious web site or an attachment to a bogus email. Whatever the source, the result is all your files are encrypted. You then see a message that you can unlock your data by payment of a fee, oftentimes in Bitcoin, not in dollars.

A customer recently sent their NoteSmith data to us when they could not access it. Two other customers let us know they, too, were infected. One was caused by someone on a workstation opening an infected Word document. It quickly encrypted all files on their network, including backup copies of data!

Please realize that this is *not* a NoteSmith issue, it is a computer issue, and these customers lost *all* their data, not just their NoteSmith data. Ransomware encrypts an entire hard drive, not just one program!

Aside from preventing infection, the only cure is to have your data backed up to a remote location or to removable media *that you remove* after the backup completes. It would save you time to image your hard drive so the entire drive can be restored at one time. Windows has drive imaging software built in but you have to use it before an infection and store it on removable media *that you remove*!

25-year features

There continue to be occasional misunderstandings with features that have been in the program for nearly three decades! That would be prior to WindowsXP, ME, 98, 95, and even 3.1. That's right: features in the program since DOS.

- File, Setup, Import: At the start of the year, you must "import" your old data to the new program so if anything goes wrong, you can use the old program temporarily until the matter can be resolved. If we modified your old data files, as some programs do, you risk not being able to use either the old or new program. You cannot "restore" your old data files to the new program because they lack the necessary data fields to take advantage of new features.
- IRS 1098 Copy A: Print *all at once* selecting All Remaining from Print Options. Do *not* put 1 piece of paper through the printer 3 times. Even with 100s of forms, printing Copy A should take 5 minutes. All Remaining is the only way to generate accurate 1096s.
- IRS 1098 payors: Go to Accounts, Edit, Investment and select 1098 from the IRS Forms drop down list, then Save. These are the only accounts that will print 1098s. You do not have to select each account at tax filing time or generate complicated configurations and filters. Remember that 1098s are for reporting home mortgage deductions and require a Social Security Number (SSN). They do not apply to partnerships, corporations, or even sole proprietors if the Taxpayer Identification Number (TIN) is an Employer Identification Number (EIN). If you have reporting questions, you should first check the relevant IRS publication for an explanation.
- Print Options dates: Do you change 1/1/2000 to 1/1/2023 every time you print a payment history or other report? For the past 20 years? Go to File, Company Configuration and enter this year as the calendar year. That is what Print Options uses. A shortcut: type the letter J for January in the starting date and, voila, 1/1/2022 appears. Type D in the ending year for December. A list of similar shortcuts appears in the printed and PDF manual.
- File, Company Configuration: This is designed to hide or show data based primarily on taxable entity. A configuration called All Notes with a blank Investor field will show all accounts and is installed by NoteSmith automatically. Enter an Investor code and everything disappears except accounts "branded" with the same code.
- Marking: A feature added in 2015, you can mark (check) only specific loans from Accounts, Lookup to appear on reports or letters. Mark All before printing full company reports. You might mark accounts, for instance, if you wanted a quick report on notes due from a specific subdivision without having to create a filter. If you unmark all accounts before printing, NoteSmith will display "no data was found that matches your request."

Update program file

We occasionally make modifications to NoteSmith based primarily on user feedback. Some minor feature enhancements that will appear in next year's version are put into this year's if the code changes are small and riskless. Go to Help, Technical Support, Update and choose Connect. The window will display the file dates of your local file compared to those at our web site. You can download the updated files.

Updating is much easier on a network than was the case years ago, so give it a try. Because the program file is guarded by the Windows firewall, start NoteSmith by right mouse clicking its icon, choose Run As Administrator, and the program then can update itself. Exit and restart the program normally. The program guides you through this.

If the program will not connect to our website, it is because your firewall is blocking it. Under Windows 10 Settings, find Allow An App Through Windows Firewall, click the Change Settings button, scroll down the list and find NoteSmith (NSWin.exe), and check Private networks, optionally check Public networks, and be sure to click OK. If you are using a different firewall, please refer to our FAQs pdf.

Email

We started supporting NoteSmith by email in 1996. Yes, for over 25 years! When you send us a message, expect a response the same business day. If you do not have a response by the next business day, do not assume we are ignoring you! Assume our reply is in your spam filter and look for it there. No luck? Send us another email or a fax. Sometimes email servers just will not talk to each other or one assumes the other is sending spam. Check for directions on 'whitelisting' with your email provider and add our email address.

Daisy McCarthy, Manager of Licensing and Support

March 2023

Ransomware

Ransomware has become all too familiar. The source may be an unintended visit to a malicious web site or an attachment to a bogus email. Whatever the source, the result is all your files are encrypted. Unfortunately, the decryption key is safely stored in, most probably, another country and you see a message that you can unlock your data by payment of a fee, oftentimes in Bitcoin, not in dollars.

A customer sent their NoteSmith data to us when they could not access it. They had to resort to typing in all their data from scratch. Why? Because no one had made a backup to either removable media or to our web site where it quickly could have been restored to a new hard drive or new computer. A backup on the infected computer was useless because it, too, was encrypted by the ransomware.

Please realize that this customer lost *all* their data, not just their NoteSmith data. Ransomware encrypts an entire hard drive, not just one program!

Yes, it happens, and yes, you can readily recover from it if you have been proactive with a backup. Read on!

File, Online, Backup/Restore

NoteSmith has offered double password-protected, online backup since 2002. A significant number of customers have wisely opted for this feature, which has 'saved the bacon' of quite a few of them over the years. The password-protected online data is backed up once a month to our office computers, then to flash drives that are stored separately for additional safety. Additionally, we offer two separately-hosted servers for backups so you can alternate backups between the servers. Be aware that there is no back door to this function because we did not want to leave a back door to a hacker. If you lose or forget your own chosen online password, or if the only employee who knows it leaves your company, we *cannot* help you. Our intent is to give each user confidence knowing their data is safe.

We offer you all this security and safety for the price of one latte a month.

We discovered an important misunderstanding about backups based on questions from two customers. In almost all cases, NoteSmith users should keep their data in one (1) folder, the default folder installed by NoteSmith called Data. Some of you have more than one data folder for various reasons. The online backup sends a copy of your data from *only one* (1) folder, the one you are working in at the time you upload. Do not think that all your data is copied if you have scattered it among multiple folders.

There is little or no reason to have multiple folders, other than possibly an Archive folder to store notes closed years ago to clean up your normal Data folder. The File, Company Configuration feature in NoteSmith can easily separate your portfolio into separate taxable entities. It was added in 1988 for just that purpose. Additional data folders were offered as an alternative many years later *only* for customers with more than 1000 notes and, even then, *only* if they had some other special need. If you have multiple folders, you need to back each of them up, you need to recreate them in each new annual version of the program, and you need to import the data from each old folder to its corresponding new folder. Basically, your work is tripled and can be avoided merely by using File, Company Configuration instead.

NoteSmith for Mac

We occasionally get requests to release a Mac version of NoteSmith. Our software is very well received in a niche market. A Mac version, requiring a 100% rewrite just for Mac computers, might be used by 10% of our customers,

and half of those would already have the Windows version. Rewriting an entire program for 5% or even 10% more customers, doubling the variety of technical support questions in the process, simply is not viable.

Old programs, Pro programs

When you pay a discounted price to renew your support with us, you are licensed to replace your old program with a new one. You do NOT now have two licenses, which means you do NOT have rights to give your old program to your associate or your relatives. Treat the old program as if it no longer exists because in terms of software licensing, it does not exist.

NoteSmith Pro allows TWO fully functional installations for ONE person, such as using NoteSmith in the office and taking the data home to make collections calls in the evening. The updated data is returned to the office the next morning and the home NoteSmith sits idle. The NoteSmith license states plainly that there is NO two user license of any NoteSmith version. Further, this means that you cannot use one installation to record payments and give the other to your CPA to run reports at the same time. You would need two licensed programs, just like you need two desks, two computers, and two copies of Windows.

Online passwords

NoteSmith has a requirement in File, Online, Backup for passwords. Those who are backing their data up to our web site need to be using secure passwords. That means at least 8 characters using at least one number, one lower case letter, one upper case letter, and one punctuation mark.

Remember, you are not trying to protect your data merely from someone in your office, but you are trying to protect your customers' data from professional and possibly international hackers. Type "passwords" into your favorite search engine and visit some pages that discuss the topic. It is valuable background for protecting your data.

Oversized attachments: read the FAQ file

Due to the popularity of smart phones, we had a flurry of emails where people took a photograph of their two-sentence error message and attempted to email the 12 MB picture which is suitable for poster sized framing. Our email server treats such messages as spam. From Help, Technical Support, Update, click the blue FAQ link to read about a variety of common ways to pass error messages or other screen happenings to our support staff. These are not new, nor are they NoteSmith specific, and will help you to communicate with others using Windows and the internet.

For instance, the text in all NoteSmith pop up messages can be highlighted with your mouse and copy/pasted into an email. Add some short explanation of what you were doing and your email is about 1/10,000th the size of the aforementioned picture.

Anti-virus and backup

We identified a small number of customers who have been struggling with their overzealous anti-virus software. NoteSmith opens and closes up to 14 files when it records a single (1) payment. If you tell your anti-virus software to scan every file as it gets used, NoteSmith will never get access to the files it needs and you will see a message similar to "file access denied" or "file not found." Although the error appears in NoteSmith, this is not a NoteSmith error. It is Windows telling NoteSmith that a file it needs cannot be used, or found, and is a result of the virus scanner tying it up too long.

The Help, Technical Support, FAQ file has suggested settings for protecting your computer while letting your software work as normal. If you are still running NoteSmith on an XP computer, realize that current anti-virus software requires more hardware horsepower than what that older computer has built in.

Updating your program file will cure some of these issues. Some recent changes to NoteSmith has it look for files your anti-virus software mangled and recovers them.

Finally, click Start, Computer (or open Windows Explorer) and go to this folder:

C:\Users\Public\Princeton\NoteSmith2023

Look for any files with the file extension of .OLD and delete them. Your anti-virus program prevented NoteSmith from deleting these temporary files, which in turn may prevent you from downloading an update.

NoteSmith 2024

We are already working on features for next year's NoteSmith based on feedback we received over the last few months. If you have an idea you would like to see incorporated into the program, now is the time to send it to us. When the summer begins, we will start testing and it will be too late to make significant code changes.

Daisy McCarthy, Manager of Licensing and Support

February 2023

Some of our customers may be reading our monthly newsletter for the first time. So welcome to all, but especially if you are a first-time reader. We try to keep this file short, timely, and relevant to current NoteSmith issues.

1098 and 1099-INT

The B Copy of your 1098 and 1099-INTs should be in the mail soon, if not already. Generally, the due dates each year, subject to the day weekends fall, is: The B copy is due to your customers at the end of January, the A Copy is due to the IRS at the end of February, A Copy electronic filers have extra time, the end of March, which is ironic since it only takes a couple of minutes to upload once the payor copies are done.

Because of the number of questions we receive on 1098s, we ask two things of you. First, check the instructions in the NoteSmith manual, especially the answers to frequently asked questions. Second, if you have an issue around what information appears where on the form, you will have to quote us the text from the relevant IRS instructions, including title, page, and paragraph. Please do not tell us you don't want the account number to appear in box 4 or that your CPA wants forms printed using a special font. Unless you show us where the IRS instructed you otherwise, we cannot make a change to the program that will affect all our other users.

NoteSmith does an excellent job of printing these with no settings to adjust because we have been doing IRS forms over 4 different decades! It is your responsibility, however, to make sure the information is correct in the program or it won't be correct on the form. Check your address and Tax ID number for accuracy. Make sure you are using the 2023 program, which is the only one that has the 2022 forms in it. Enter SSNs for your individual payors and do not try sending 1098 forms to corporations. Your printer may not be able to print the account number in the bottom form if it is outside the printer's margin. You must be using forms you received directly from the IRS. See the manual for other tips.

Consider filing electronically in the future, avoiding the nuisance of printing on IRS 1096, 1098, or 1099-INT original forms. New procedures for applying for electronic filing were implemented in 2021, so be sure to review the latest updates at [irs.gov](https://www.irs.gov).

A 1098 form is designed to give to a homeowner, who naturally is a cash basis taxpayer with a Social Security Number (NOT an Employer Identification Number). USRule (see Accounts, Edit, Note) is a cash basis method of amortizing payments. Non-USRule (unchecking the USRule box) is an accrual method of accounting. NoteSmith will discourage you from unchecking USRule if the 1098 form (Accounts, Edit, Investment) is selected. If you select 1098 forms on that tab, the program will check USRule. This is deliberate.

Other current NoteSmith 2023 items

FAQ: A companion to this newsletter file is the Frequently Asked Questions PDF. The file you are reading or the FAQ can be viewed by clicking the blue link at Help, Technical Support, Update. The FAQ file is like a companion booklet to the manual with items added as other NoteSmith users ask questions. Being a PDF, you can search for any text. If you experience an error message or a feature does not seem quite right, search the FAQ first.

Update: You always should update your program file immediately after installing the program. We make changes throughout the year based on customer feedback and these improvements are free to you. Go to Help, Technical Support, Update and use the buttons to update various files based on their dates. If NoteSmith cannot access the internet, it is because your internet security software is set to block NoteSmith. See the NoteSmith FAQ file or your internet security support for ways to allow NoteSmith, and other software you use regularly, to function normally.

Origination Date: For proper filing of 1098s, the IRS now wants the date your loan documents were filed at your county records office, not just the Date Bought (aka Date Opened) that you put them on your books. Store this date in Accounts, Edit, behind the CrBureau button on the first tab. The requirements for Origination Date and related dates and amounts have been changing over the last few years, so be sure to review the IRS instructions and enter the required information into NoteSmith.

Report Size and Font Size: Go to File, Setup, the Program tab. Look for Shrink Reports and also for Font Size. Shrink Reports will properly format a report when you are on a high definition monitor, such as the Microsoft Surface Pro laptop/tablet. If Print Preview doesn't fit on the page, check this box. Font Size allows you to increase the fonts for legibility. Windows controls the fonts on title bars and menus so see the Windows Help for changing these settings. NoteSmith controls the rest from this box.

Backup and web site

Our web site is only \$99 per year. That includes the \$49 online backup, which saves a few data disasters every year! Reduce your incoming phone calls with our web site and reduce the anxiety of a hard disk crash or office break-in for just \$8 a month, the price of a hamburger and fries at your favorite restaurant.

Thanks for the history

Our staff works hard supporting NoteSmith every day. Some of them have done so for 20+ years. Our customers work hard, too. Some have been with us 20 years, some are second and even third generation NoteSmith users in their families. From all our staff to all our customers, please accept our thanks for your loyal support of NoteSmith over such a long time.

Daisy McCarthy, Manager of Licensing and Support

January 2023

NoteSmith 2023 handling

NoteSmith 2023 will be distributed in this sequence for those who already paid their renewal:

Batch 1 Express Download: Emailed instructions and Installation Guide will arrive before January 7 assuming you provided us a correct email address. Check your spam filter and all your email addresses. Add our Support email address to the "white list" of your email program.

Batch 2 Regular Download: Emailed instructions and Installation Guide sent around January 20. This is the same as Batch 1, but two weeks later. Again, check your spam filter and all your email addresses.

Batch 3 Regular Postal Handling: Includes a hard copy of the Installation Guide and flash drive of the updated program, and will be mailed around January 20. Check your PO Box if you ever provided that as an address to us. If you ordered a manual, remember to look for your FlashDrive in the package.

Note to those paying by check: Checks mailed in the last few days of December run a risk of being returned, and therefore will be late, for any of these reasons: incorrect amount, incorrect payee, mailed to an incorrect address, or were not signed. Renewals paid after December 31 are more expensive because they are filled individually by support technicians instead of in bulk.

Online features: You can add the online backup or personal web site from NoteSmith.com, Order, Current link.

Paying late: Print an invoice from Help, Renewal Invoice. Mail a check for the amount shown or use it at NoteSmith.com, Order, the Renewal link, to order the same items at the same price shown on the printout.

NoteSmith 2022

This is the last newsletter that will be downloaded by the NoteSmith 2022 program.

We continue to support the 2022 program for those who ordered 2023 renewals until their expected delivery date. Once you receive your 2023 package, install it immediately, import your existing data, and start using the new features available to you. You should not need a computer technician to install NoteSmith. Support will be answered during weekends in January for those with questions about IRS printing or electronic filing.

If you did not renew for 2023, your program will continue working as long as your hardware and operating system are kept healthy. NoteSmith 2022 cannot print the new year IRS forms, export to the credit bureau, or continue access to online backups or web sites. Most importantly, it will not be supported. Go to NoteSmith.com, Order, and choose the Renewal link right away. Renewal prices are approximately double after February 14.

Thanks

Thank you for choosing NoteSmith to manage your portfolio.

Daisy McCarthy, Manager of Licensing and Support

December 2022

NoteSmith 2023 order confirmations

We email confirmations of your renewal order in December. This is done so you know we received and processed your order. Some people will get confirmations more than once but please understand that many of our users rely on these confirmations.

Your order is due in our office - not *postmarked* but **due** - December 31. We hold all checks until January so mail your invoice and check today. Renewal prices increase on January 1.

Windows Operating Systems

NoteSmith 2023 will run normally on Windows 7, 8, 8.1, 10, and 11. Windows XP is no longer supported by Microsoft so you should not be servicing the loans of other people on such an unsecured and outdated platform. NoteSmith will run on XP but the manual dropped explanations specific to XP.

Current address!

Please use our current address for orders and correspondence:

Adagio Systems, LLC/Princeton Investments,
1001 E Harmony Road, Suite A-110, Fort Collins, CO 80525

Common issues

During December and January, we always see the same issues. Please, please, please help reduce the time you spend and the delays starting your new program by following the instructions in your Installation Guide EXACTLY.

Installation: The most common set of questions we see has to do with installation. You likely do NOT need to hire a consultant. The FlashDrive installs itself and the directions appear in step sequence. The Net program is designed NOT TO WORK if the directions are not followed exactly. Share and map the PRINCETON folder.

Activation: The second most frequent set of questions we see has to do with program activation. You cannot activate the first few days the program is installed and there is no reason you should deactivate it either. It is fully functional and will warn you when you need to activate. The activation directions should take an experienced NoteSmith user 2-3 minutes.

1098s: In January, a frequent question has to do with IRS Form 1098. The paper and electronic filing directions are in Help along with the most common causes that a form does not print for one of your customers. You will need NoteSmith 2023 to print and file your 2022 payment data.

Online backup

If you have an online backup with us, NoteSmith can send the data automatically to the NoteSmith.com site once a month and the NoteSmith.net site on a different day each month, giving you two locations, two different dates. And Yes, it can be done automatically.

For those who may not have an online backup with us, it is only \$49 for the year and gives you the capability to make a compressed, encrypted copy of your data and store it at our web sites. Add your own password, the program adds another password, and upload to our password protected site so your data is TRIPLE password protected. If your computer is lost, stolen, vandalized, or crashes, your data is safely stored off site. If you have

technical support issues with your data, provide us your password and we can have a look at your data and provide assistance.

NoteSmith licensing questions

Each year we get a number of questions about NoteSmith licensing. The best resource is the NoteSmith End User License Agreement (NEULA) in the front of the manual, from pop up help, or at our web site. Here are answers to two common questions.

If you will be renewing your support for 2023, you receive a new package (physical or via email) with new program files on a FlashDrive and a 4 page Installation Guide. For a small fee, we can include a printed manual. The files on the FlashDrive and the download are the program files we will support for the coming year. You receive a significant discount over ordering a new NoteSmith because your new installation replaces the old installation, it does not double your user licenses. The old media is not meant to be given to an "associate" or other acquaintance. It needs to be securely retired and your unique, outgoing Media Key protected. Someone else using your old software while you use the new software violates federal copyright law and the NEULA.

NoteSmith Pro is single (1) user, two (2) installations, the main one for daily use and a second as a backup so you are never down if something happens to your computer or office. Both installations need to have the exact same data and input should be done only on the main installation. There is **no** two (2) user license of **any** NoteSmith version.

QuickBooks 2019 Import Changes

A NoteSmith user reported a while back that they had upgraded to QuickBooks 2019 and the file import into QuickBooks from NoteSmith, which he had used for years, no longer worked. The QuickBooks website confirms that "QuickBooks 2019/Enterprise 19.0 has an improved .IIF functionality..." A quick internet search suggests that this change has resulted in problems for imports from a variety of software platforms due to a change in the rules for imported files. The QuickBooks website also states, "Note: Intuit does not offer assisted technical support for creating or importing .IIF files." Fortunately, the previous IIF import functionality still exists in QuickBooks 2019, but it is no longer the default. At the bottom of the "Import IIF File" window in Quickbooks 2019, there is a link named: "Import it for me." This link imports your file using the same method you have used in the past with NoteSmith files.

Holiday schedule

This season, from December through Valentine's Day, is the busiest time for us. Our renewal orders are processed and shipped only during this time of year, which necessitates hiring temporary help and pressing our normal staff to help with once-a-year orders. We still expect to respond to all technical support requests within one business day although you might experience additional turnaround hours. We will be answering support on weekends during January to help with installations and IRS forms.

From Christmas Eve through New Year's Day, we will be on light duty. This is a time for all of us to spend with our families and our friends. Please be safe this holiday season and have a fun, relaxing visit with your loved ones.

Thank you

As always, all of us here thank you for your continued support of our software.

Daisy

November 2022

NoteSmith 2023 Announcements

Your current 2022 program will remind you that you can print your own annual technical support invoice from Help, Renewal Invoice. This allows you to choose from a list of options, gives you the correct total, and fits in a double window envelope correctly addressed. You even can signify if any of your contact information is new this year before printing.

This year we will offer Batch 1 (Express Download), Batch 2 (Regular Download), and Batch 3 (Regular Mailing) delivery:

- Batch 1 Express Download is a download only of NoteSmith 2023 and gets you the earliest delivery - perfect for preparing IRS 1098s or 1099-INTs to mail to your customers. It will arrive before January 7 assuming you provided us a correct email address. There is a small handling charge for the download. Nothing is postal mailed with Batch 1.

- Batch 2 has been changed to a download option for no additional cost, with emailed instructions and Installation Guide sent around January 20.

- Batch 3 will be sent for delivery by the last full week of January, probably in time to print and mail forms, but do not cut the IRS deadline this close to save a few dollars.

Renewal Due Date

For some reason, 10% of our customers send their payment owing to us after the due date and sacrifice part of their discount!

The due date for your payment to arrive in our office is December 31, 2022.

Our annual postcard announcements will be mailed around Thanksgiving although we encourage people to use the more detailed Help, Renewal Invoice. If you do not receive a postcard, be sure we have your correct postal mailing address. Summary information about renewals appears in the mailing, with full details at NoteSmith.com. Don't wait too long to order your program.

Regardless of when you return your payment, orders are not filled until January and checks are not deposited until then so there is no reason to wait on mailing your check.

Update your program file

We cannot recommend enough that you update your program file from Help, Technical Support, Update. Detailed directions appear in the printed manual, the PDF manual, and the FAQ file that can be opened on that tab by clicking the blue link. If your NoteSmith program cannot connect to our web site, it means that the internet security software you installed on your computer is blocking NoteSmith. Read our FAQ or the directions for your security software to see how to mark NoteSmith as a Trusted Program.

Run As Administrator

Starting with Vista and continuing on to Windows 7, 8, and 10, Microsoft beefed up computer and internet security. One of the features they added was requiring a real human being to click a button to allow certain functions that could otherwise take down your computer.

Updating any program that is installed on your computer involves replacing executable files stored in protected Windows folders. It would be disastrous to place a malicious file in such a location where it would gain control of your computer--or worse!

Updating program files, therefore, requires you to temporarily assume the role of a computer administrator and click buttons that appear on screen. So, after downloading a freshly updated NoteSmith program file, you must run the program as an administrator, telling Windows it is OK to make the file substitution. If NoteSmith gives you such an instruction, simply exit the program, right mouse click the NoteSmith icon, and choose Run As Administrator from the pop up menu. After NoteSmith updates the files, it tells you to exit and restart the program normally as a user would, by left mouse clicking the icon.

IRS Forms

Be aware that IRS 1098 is a two up form again this year, because the IRS wants more information on each account. They now require the origination date of the mortgage. The exact property address is required in Accounts, Edit, Collateral. Mortgage insurance premiums have their own box. For IRS 1098 accounts that pay mortgage insurance premiums, enter MIP in the Reference field when recording the payment in NoteSmith 2022 so the information can be used this coming January. Starting with tax year 2019, the IRS added a field for reporting the Mortgage Acquisition Date for a mortgage acquired during the tax year. In addition, the definition of the "Outstanding mortgage principal" field changed to include the principal on the date of origination or acquisition, if in the tax year. Finally, the IRS 1098 now includes a field for reporting the number of properties (in excess of one) that secures a single mortgage.

If you file paper forms 1098 or 1099-INT, call 1-800-TAX-FORM or go online to order them today. The IRS always runs out. You need one 1096 cover sheet for each type of form filed by mail. These forms are printed with red ink on white paper. You cannot print your own A copy of the forms for filing with the IRS. The B and C copies for you and your customers are printed by NoteSmith on plain paper, but the A copy you send to the IRS must be an original form.

The bottom box of the bottom form on each IRS 1098/1099-INT cannot be reached by many computer printers but needs to be filled in with an account number if you have more than one loan with one taxpayer. Beware of this and verify that the forms are completed fully.

NoteSmith supports the IRS version of the forms, which you can order for free. If you buy forms from an office supply house, realize their margins may not exactly match the IRS version and NoteSmith may not print to them reliably.

E-Filing (Electronic Filing of IRS Information Returns)

As an alternative to paper forms, you can file electronically. If you have more than 250 returns to file (soon to be reduced to 100 returns), you *must* file electronically, but save yourself some work even if you have fewer forms. To file electronically, you must have a Transmitter Control Code (TCC). In the past, IRS Form 4419 was used to request a TCC. **As of September 10, 2021, IRS Form 4419 was retired (except for requesting changes to an existing TCC record) and replaced with the new "Information Return (IR) Application for Transmitter Control Code (TCC)"** (information at: <https://www.irs.gov/e-file-providers/filing-information-returns-electronically-fire>). The IRS has also implemented a new, higher-security system for accessing IRS tools such as the IR Application for TCC. It's called Secure Access, and registering through Secure Access is the first step if you are a first time e-filer requesting a TCC (more information at: <https://www.irs.gov/individuals/secure-access-how-to-register-for-certain-online-self-help-tools>). If you already have a TCC, you do not need to request a new one each year. Go to IRS.gov for answers to any specific questions you have.

New Address

Did you move in the last year? Email us your change of address.

Holidays

We at NoteSmith hope you and yours have a wonderful holiday season!

Daisy McCarthy, Manager of Licensing and Support

October 2022

Spam

Our Technical Support team has reported a recent increase in the number of emails that are being spammed (that is, being automatically sent to the Spam folder). This is true in both directions - from the user to the Technical Support team and from the Tech Support team to the user. Our suggestion is to be sure to check your spam folders if you haven't received a timely response to your email sent to our team.

NoteSmith 2023 - Changes to renewal delivery options

The new program is being finalized and tested. For those of you who need to purchase a new/additional license, the target date for availability of NoteSmith 2023 is November 15, 2022. The reduced-price renewal will be offered three ways again this year. However, as reported a year ago and again last month, starting this year the early mailing option will be eliminated, and **the only early option will be via download**. The earliest "Batch 1" delivery (for \$10) is a download option as in the past, with emailed instructions and Installation Guide sent around January 4. The latest "Batch 3" delivery (at no additional cost) is still a mailed packet sent around January 20, also the same as in the past. However, the middle "Batch 2" delivery option, formerly a mailed packet costing \$20, has been changed to a download option for no additional cost, with emailed instructions and Installation Guide sent around January 20. If you have a concern about the timing of your delivery, be sure to pay the few extra dollars for the "Batch 1" Express Download delivery.

Requesting a TCC for electronic filing - New IRS System

We highly recommend that you request a Transmitter Control Code (TCC) number for electronic filing (e-filing) of IRS Information Returns: 1098 and 1099-INT. **As of September 10, 2021, IRS Form 4419 was retired (except for requesting changes to an existing TCC record) and replaced with the new "Information Return (IR) Application for Transmitter Control Code (TCC)"** (information at: <https://www.irs.gov/e-file-providers/filing-information-returns-electronically-fire>). The IRS also implemented a new, higher-security system for accessing IRS tools such as the IR Application for TCC. It's called *Secure Access*, and registering through *Secure Access* is the first step if you are a first time e-filer requesting a TCC (more information at: <https://www.irs.gov/individuals/secure-access-how-to-register-for-certain-online-self-help-tools>).

IRS Forms

Please remember that the IRS changed the layout of IRS 1098 forms from 3 up to 2 up starting with tax year 2017. This was a significant change to the look of the form and how it is folded into window envelopes. Paper tax forms should be available soon at no cost to you from IRS.gov. Order yours today because the IRS always runs out and office supply forms you buy do not always have identical margins, potentially forcing the data into incorrect boxes.

Checks, NoteSmith Renewals, and New Address

Our financial institution asked us to pass along a few years ago that the Feds are getting more picky about the Payee names on checks. This may affect your incoming loan payments as well as payments you make. For our purposes, checks need to be made out to our company name:

Adagio Systems, LLC ("Princeton Investments" works, as well)

Also note that our correct street address is:

1001 E Harmony Road, Suite A-110
Fort Collins, CO 80525

We have used this address since 2011 so please be sure your check writing or addressing software shows this address.

NoteSmith 2024

Believe it or not, we have started planning NoteSmith 2024 while the 2023 program is being tested. If you have an idea for a future NoteSmith feature, this is an ideal time to send it to us.

Internet Security Software

This is a reminder about issues that sometimes arise due to recent releases of internet security, anti-virus, and firewall software programs as it affects programs installed on your computer, including NoteSmith.

1. *Random errors are reported by NoteSmith.* The program states that files are missing which in reality have been renamed by your internet security software. Your software renames NoteSmith files as it scans, then renames them back to the original if the file is clean. Multiple files needed by NoteSmith cannot be scanned quickly enough, either because your hardware is too slow or too many files are being requested in rapid succession, so the security software fails to finish scanning and does not rename the files. Programs such as Microsoft Word may open only one or two files in a session so you never notice this behavior, while NoteSmith needs as many as 14 files when recording a single payment.

2. *NoteSmith cannot access the internet to retrieve updates or newsletters.* A few years ago, NoteSmith added the capability of automatically downloading any program updates made during the month to avoid manually "freshening" as we offered in the past. Also, the monthly newsletter can be retrieved at the same time NoteSmith checks for updates instead of it being sent by bulk email as we used to do. The newsletter is posted at the NoteSmith web site and the program will download it and any updates monthly. Some people have not benefitted from this because their security software is blocking NoteSmith from accessing the internet.

Both of these issues are easily resolved simply by making two changes to the settings in your internet security or anti-virus software. Tell it that NoteSmith (or NSWin.exe) is a trusted program and that you want to make periodic scans (hourly or daily) instead of continuous scans. There is no reason to continuously scan NoteSmith data files because they are not executable so cannot initiate any virus, hacker, or spam activity. Details on this topic can be found in the current FAQ PDF file available using your browser at NoteSmith.com, Technical Support, Downloads.

Thank you for choosing NoteSmith to manage your portfolio.

Daisy McCarthy, Manager of Licensing and Support