These are those rules.

Respect the price action but never defer to it.
Our eyes are valuable tools when trading but if we deferred to the flickering ticks, stocks would be "better" up and "worse" down and that's a losing proposition.

Discipline trumps conviction.
No matter how strongly you feel on a given position, you must defer to the principles of discipline when trading. Always attempt to define your risk and never believe that you're smarter than the market.

Opportunities are made up easier than losses.
It's not necessary to play every day; it's only necessary to have a high winning percentage on the trades you choose to make. Sometimes the ability not to trade is as important as trading ability.

Emotion is the enemy when trading.
Emotional decisions have a way of coming back to haunt you. If you're personally attached to a position, your decision making process will be flawed. Take a deep breath before risking your hard earned coin.

Zig when others Zag.
Sell hope, buy despair and take the other side of emotional disconnects (in the context of controlled risk). If you can't find the sheep in the herd, chances are that you're it.

Adapt your style to the market.
Different investment approaches are warranted at different junctures and applying the right methodology is half the battle. Identify your time horizon and employ a risk profile that allows the market to work for you.

Maximize your reward relative to your risk.
If you're patient and pick your spots, edges will emerge that provide an advantageous risk/reward profile. Proactive patience is a virtue.

Perception is reality in the marketplace.
Identifying the prevalent psychology is a necessary process when trading. It's not "what is," it's what's perceived to be that dictates supply and demand.

When unsure, trade "in between."
Your risk profile should always be an extension of your thought process. If you're unsure, trade smaller until your identify your comfort zone.

Don't let your bad trades turn into investments.
Rationalization has no place in trading. If you put a position on for a catalyst and it passes, take the risk off—win, lose or draw.

There are obviously many more rules but I've found these to be my common threads through the years. Each of you has a unique risk profile and time horizon, so some of these commandments may not apply.

As always, I share these thoughts with hopes that they add value to your process. Find a style that works for you and always allow for a margin of error. Any trader worth his or her salt has endured periods of pain but if we learn from mistakes, they morph into lessons.

Good traders know how to make money but great traders know how to take a loss. For if there wasn't risk in this profession, it would be called "winning" rather than "trading."