CANADIAN IMPERIAL BANK OF COMMERCE (CIBC) INTERVIEW PRACTICE TEST (SAMPLE)

STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

VISIT US ONLINE FOR THE FULL VERSION STUDY GUIDE

https://cibcinterview.examzify.com

Copyright © 2026 by Examzify - A Kaluba Technologies Inc. product.

ALL RIGHTS RESERVED.

No part of this book may be reproduced or transferred in any form or by any means, graphic, electronic, or mechanical, including photocopying, recording, web distribution, taping, or by any information storage retrieval system, without the written permission of the author.

Notice: Examzify makes every reasonable effort to obtain accurate, complete, and timely information about this product from reliable sources.

SAMPLE

Table of Contents

Copyright 1
Table of Contents 2
Introduction 3
How to Use This Guide 4
Questions 5
Answers 8
Explanations 10
Next Steps 16

SAMPLE

Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

SAMPLE

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

SAMPLE

Questions

SAMPLE

1. Which of the following best describes the typical purpose of debt covenants?

A. To set tax rates

B. To restrict the borrower from taking excessive risk and preserve lender protection

C. To manage employee compensation

D. To specify product pricing

2. How should you respond to a breach of trust by a colleague who shared sensitive information?

A. Publicly accuse the colleague.

B. Report to supervisor, follow whistleblower policy, protect client confidentiality, document actions, and review controls.

C. Conceal the incident and take no action.

D. Discuss the matter with the client directly.

3. How would you learn a new process or tool quickly to meet a tight deadline?

A. Rely on memory and guess at the steps.

B. Wait for a formal course that may take longer.

C. Ask a colleague to do it for you.

D. Source training materials, practice, seek a mentor, and apply the tool to a small task.

4. What is liquidity risk?

A. The risk that a bank's profits are volatile due to market swings.

B. The risk of failing to meet long-term debt obligations.

C. The risk that a bank cannot meet short-term obligations; monitored through liquidity ratios, stress testing, and funding strategies.

D. The risk of currency exchange rate fluctuations.

5. OSFI's role in ensuring risk management in banks, and what are some key areas of focus?

A. OSFI focuses on marketing, branding, and customer outreach.

B. OSFI focuses on tax policy and compliance.

C. OSFI focuses on customer service standards.

D. OSFI supervises governance, capital, liquidity, risk management, and overall safety; focuses on prudent risk controls and regulatory compliance.

SAMPLE

6. Why would a company use EBITDA over net income, and vice versa?

A. EBITDA ignores interest, taxes, depreciation, and amortization to focus on operational performance; net income reflects all costs.

B. EBITDA is the same as net income.

C. EBITDA includes capital expenditures.

D. Net income excludes taxes.

7. How would you describe your approach to teamwork when working with partners in Finance, Risk, and Compliance?

A. Demand alignment and authoritative decisions.

B. Hide information to avoid risk.

C. Deliberately compete with partners.

D. Communicate clearly, align goals, share information, respect expertise, and collaborate to meet regulatory and business objectives.

8. What is a positive covenant?

A. A positive covenant requires the borrower to continue to do something

B. A positive covenant restricts the borrower from taking certain actions

C. A financial covenant sets a minimum cash balance

D. A financial covenant is optional and has no effect

9. When resolving a customer complaint about fees, why is documentation important?

A. It provides a record of actions taken and supports accountability.

B. It is optional and unnecessary.

C. It delays the process.

D. It confuses customers.

10. When describing a resolved team conflict using the STAR approach, which elements are emphasized?

A. Aggression, blame, and rapid decision

B. Communication, listening, collaboration; outcome: improved teamwork and goal achievement

C. Technical details only, without team impact

D. Isolation and avoidance

SAMPLE

Answers

SAMPLE

1. B
2. B
3. D
4. C
5. D
6. A
7. D
8. A
9. A
10. B

SAMPLE

Explanations

SAMPLE

1. Which of the following best describes the typical purpose of debt covenants?

A. To set tax rates

B. To restrict the borrower from taking excessive risk and preserve lender protection

C. To manage employee compensation

D. To specify product pricing

Debt covenants are provisions in a loan agreement that set limits and requirements on what a borrower can or must do, with the goal of controlling risk for the lender. The typical purpose is to restrict the borrower from taking excessive risks and to preserve lender protection. By enforcing constraints on actions like taking on more debt, selling key assets, or failing to meet financial targets, covenants help prevent situations that could undermine the borrower's ability to repay. They also mandate ongoing reporting and maintain specific financial ratios, which provides the lender with early warning signs and leverage to intervene if risk rises. In practice, if a borrower stays within these limits and meets the reporting requirements, the loan remains more secure for the lender. If a covenant is breached, remedies can be triggered, such as renegotiating terms, increasing interest, or demanding accelerated repayment, which further reinforces the protective purpose. This is not about setting tax rates, managing employee compensation, or specifying product pricing—those are separate areas of business policy and regulation, not typical debt-covenant design.

2. How should you respond to a breach of trust by a colleague who shared sensitive information?

A. Publicly accuse the colleague.

B. Report to supervisor, follow whistleblower policy, protect client confidentiality, document actions, and review controls.

C. Conceal the incident and take no action.

D. Discuss the matter with the client directly.

Handling a breach of trust means escalating through the proper channels while protecting client confidentiality. In a bank setting, you must report the incident to your supervisor and follow the whistleblower policy so the issue is investigated, actions are tracked, and accountability is established. Documenting what happened and the steps you took creates a clear record and helps review and strengthen internal controls to prevent recurrence. This approach upholds client privacy, complies with regulatory and firm requirements, and supports a constructive resolution. Publicly accusing the colleague can create unnecessary harm and bypass correct procedures. Concealing the incident avoids accountability and leaves the risk unresolved. Discussing the matter with the client directly can violate confidentiality and damage trust.

SAMPLE

3. How would you learn a new process or tool quickly to meet a tight deadline?

A. Rely on memory and guess at the steps.

B. Wait for a formal course that may take longer.

C. Ask a colleague to do it for you.

D. Source training materials, practice, seek a mentor, and apply the tool to a small task.

When you need to learn a new process or tool quickly, the most effective approach is a practical, just-in-time plan: gather relevant training materials and quick-start guides, practice actively, seek quick guidance from a mentor or an experienced colleague, and apply what you've learned to a small task to build hands-on confidence before tackling the full workload. This method combines getting the right information, turning it into action, and validating your understanding with a low-risk task, which helps you meet a tight deadline without sacrificing accuracy. Relying on memory and guessing tends to lead to errors and rework, especially when processes are new or steps matter. Waiting for a formal course can be too slow and may not align with the deadline. Asking someone else to do it for you avoids the learning needed to handle similar tasks in the future and can delay progress if that person isn't available. The proactive approach of using training materials, practicing, getting quick guidance, and applying the tool to a small task keeps you moving, builds competence, and reduces risk as you scale up.

4. What is liquidity risk?

A. The risk that a bank's profits are volatile due to market swings.

B. The risk of failing to meet long-term debt obligations.

C. The risk that a bank cannot meet short-term obligations; monitored through liquidity ratios, stress testing, and funding strategies.

D. The risk of currency exchange rate fluctuations.

Liquidity risk is the risk that a bank cannot meet its short-term obligations as they come due, or cannot convert assets into cash quickly enough without taking large losses. This matters because banks need ready cash to cover withdrawals, maturing liabilities, and daily operations. Management addresses it with liquidity ratios that measure cash availability and funding stability, stress testing to assess how extreme cash outflows could impact liquidity, and sound funding strategies and contingency plans to secure access to funds even under stress. Other risks described involve different concerns: market risk relates to losses from changes in market prices; solvency or long-term funding risk centers on the ability to meet long-term debt and overall balance sheet viability; currency risk deals with fluctuations in exchange rates. The description focusing on meeting short-term obligations and the tools used to monitor and maintain liquidity most accurately captures liquidity risk.

SAMPLE

5. OSFI's role in ensuring risk management in banks, and what are some key areas of focus?

A. OSFI focuses on marketing, branding, and customer outreach.

B. OSFI focuses on tax policy and compliance.

C. OSFI focuses on customer service standards.

D. OSFI supervises governance, capital, liquidity, risk management, and overall safety; focuses on prudent risk controls and regulatory compliance.

OSFI's role is to ensure banks run with strong risk management and remain safe and sound for the financial system. The key idea is that a prudential regulator looks at how a bank is governed, how much capital it holds, whether it has enough liquidity to meet obligations, and how well it manages the risks it faces. OSFI sets expectations for governance, requires adequate capital to absorb losses, monitors liquidity to withstand stress, and enforces prudent risk controls and regulatory compliance. This focus helps protect depositors and maintain overall financial stability. The other areas mentioned—marketing, tax policy, or customer service standards—aren't the regulator's primary focus. Those functions fall outside OSFI's mandate, which centers on the safety, soundness, and proper risk management of banks.

6. Why would a company use EBITDA over net income, and vice versa?

A. EBITDA ignores interest, taxes, depreciation, and amortization to focus on operational performance; net income reflects all costs.

B. EBITDA is the same as net income.

C. EBITDA includes capital expenditures.

D. Net income excludes taxes.

Understanding EBITDA vs net income helps you see operating performance versus overall profitability. EBITDA excludes interest, taxes, depreciation, and amortization to isolate earnings from ongoing operations before financing and accounting decisions. Net income measures what's left after all costs—financing, taxes, and non-cash charges like depreciation and amortization—so it shows the true bottom-line profit after everything. This distinction matters because a business might look stronger on an EBITDA basis if it has heavy debt or significant tax burdens or large non-cash charges. Removing those items lets you compare core operating performance across firms with different capital structures. Conversely, net income is the better measure when you want to know the total profitability after all obligations are met, reflecting the company's actual bottom-line result. Capital expenditures aren't part of EBITDA; they're cash outlays that affect cash flow and asset base, not EBITDA directly. And net income is after taxes, so it does include the tax expense.

SAMPLE

7. How would you describe your approach to teamwork when working with partners in Finance, Risk, and Compliance?

A. Demand alignment and authoritative decisions.

B. Hide information to avoid risk.

C. Deliberately compete with partners.

D. Communicate clearly, align goals, share information, respect expertise, and collaborate to meet regulatory and business objectives.

In cross-functional teamwork with Finance, Risk, and Compliance, the focus is on collaborative, transparent collaboration. Communicate clearly so everyone understands priorities and constraints, align goals so risk management and business objectives move together, share information so decisions are data-informed, respect each other's expertise to leverage diverse perspectives, and work together to meet regulatory and business objectives. This approach reduces surprises, speeds up issue resolution, builds trust, and supports strong governance. By contrast, insisting on your own alignment in an authoritative way can stifle input and slow response, hiding information undermines transparency and risk awareness, and deliberately competing with partners erodes coordination and accountability.

8. What is a positive covenant?

A. A positive covenant requires the borrower to continue to do something

B. A positive covenant restricts the borrower from taking certain actions

C. A financial covenant sets a minimum cash balance

D. A financial covenant is optional and has no effect

A positive covenant is an affirmative obligation the borrower must actively fulfill on an ongoing basis. It requires the borrower to take actions or maintain certain conditions to protect the lender's interests, such as keeping insurance current, providing regular financial statements, or maintaining liquidity. This is why the best description is that a positive covenant requires the borrower to continue to do something. The other concepts describe different ideas. A restriction is a limitation on actions the borrower cannot take, which is a negative covenant. A financial covenant focuses on specific metrics or thresholds, like a minimum cash balance or debt service coverage, rather than ongoing duties. And a covenant isn't typically optional with no effect; covenants are binding conditions that lenders rely on.

9. When resolving a customer complaint about fees, why is documentation important?

A. It provides a record of actions taken and supports accountability.

B. It is optional and unnecessary.

C. It delays the process.

D. It confuses customers.

Documenting how a fees complaint is resolved creates a clear, traceable record of what was done, who handled it, and why. This supports accountability and fairness because there is evidence of the actions taken (such as reviewing the charge, any adjustments made, and the final outcome) and the rationale behind those decisions. It also satisfies regulatory and internal control requirements and protects both the customer and the bank by providing an audit trail. When documentation is done well, it helps the process move smoothly by clarifying what was reviewed, what was decided, and what was communicated to the customer, reducing the chance of back-and-forth confusion later. Without it, explanations can become inconsistent and harder to justify, which can lead to misunderstandings about why fees were charged or waived.

SAMPLE

10. When describing a resolved team conflict using the STAR approach, which elements are emphasized?

A. Aggression, blame, and rapid decision

B. Communication, listening, collaboration; outcome: improved teamwork and goal achievement

C. Technical details only, without team impact

D. Isolation and avoidance

In STAR, describing a resolved team conflict should highlight how you used open communication, active listening, and collaboration to move the situation forward and reach a positive outcome. This approach shows you addressed the issue constructively rather than by assigning blame, and it demonstrates your teamwork and problem-solving skills in a real workplace context. Why this is the best fit: focusing on communication, listening, and collaboration reveals the concrete behaviors that de-escalate conflict and align the team toward shared goals. The result you describe—improved teamwork and progress toward goals—provides a measurable, meaningful impact that interviewers look for, especially in collaborative environments like banking where teamwork directly affects customer service and outcomes. Why the other approaches don't fit as well: aggression or blaming tends to escalate conflicts and reflect poorly on your interpersonal skills; rushing to a decision without involving the team misses the collaborative aspect STAR aims to capture; sticking to technical details without addressing team impact ignores how conflict resolution affects people and performance; and isolation or avoidance shows the problem wasn't managed at all and fails to demonstrate leadership or accountability.

SAMPLE

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

https://cibcinterview.examzify.com

We wish you the very best on your exam journey. You've got this!

SAMPLE