



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

January 6, 2014

Via E-mail

Paul R. Risinger  
Chief Executive Officer  
VHGI Holdings, Inc.  
103 North Court Street  
Sullivan, IN 47882

**Re: VHGI Holdings, Inc.  
Form 10-K for the Fiscal Year Ended December 31, 2012  
Filed June 26, 2013  
File No. 000-17520**

Dear Mr. Risinger:

We issued comments on the above captioned filings on November 1, 2013. On December 18, 2013, we issued a follow-up letter informing you that those comments remained outstanding and unresolved, and absent a substantive response, we would act consistent with our obligations under the federal securities laws.

As you have not provided a substantive response, we are terminating our review and will take further steps as we deem appropriate. These steps will include our releasing all correspondence relating to our review on the EDGAR system.

You may contact David Edgar, Staff Accountant, at 202-551-3459 or me at 202-551-3226 if you have any questions.

Sincerely,

/s/ Craig D. Wilson

Craig D. Wilson  
Sr. Asst. Chief Accountant